THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA: ISSUES FOR THE 1980'S

HEARINGS

BEFORE THE

SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS

OF THE

COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

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PREFACE

The hearings herein published focus on the development of relations between the United States and People's Republic of China (PRC).

In the 2 years since the normalization of relations between the United States and the People's Republic of China, Sino-American relations have deepened and broadened. The grant of most-favored-nation (MFN) status to the PRC, the extension of the operating authority of the Overseas Private Investment Corporation (OPIC) to include the PRC, and the increasing pace of cultural, educational, and scientific exchange have established a sound foundation for the development of our future relations.

Likewise, over the past 2 years and particularly since the Soviet invasion of Afghanistan, the pace of our military/strategic relationship has quickened. The visit of Secretary of Defense Harold Brown to Peking in January 1980, the decision to allow the sale of selected items of nonlethal military equipment as outlined in Munitions Control Newsletter 81, the licensing of American companies to explore the China market for the sale of dual use technology, and the increasing military exchange evidence this developing dimension of our relationship.

Yet these militarily related developments have taken place largely without public discussion of the merits of such actions and of their relationship to U.S. global foreign policy and security interests. To develop greater public awareness of the issues involved in the Sino-American relationship, the Subcommittee on Asian and Pacific Affairs initiated the series of hearings published in this volume.

Among the key questions the subcommittee posed were:

(1) What effects can we expect the new U.S. ties with the PRC to have on the U.S.S.R.? What sort of reaction can we expect from the U.S.S.R. should the U.S.-PRC relationship develop an increasingly military nature?

(2) Bearing in mind our historic lack of understanding of China and our failure to foresee major shifts in Chinese policy, how clear an understanding do we have of Peking's intentions toward the United States and the U.S. role in China's policy vis-a-vis the Soviet Union?

(3) Can we realistically expect the Soviet Union to put aside 20 years of conflict with China and view the Sino-American relationship in purely a bilateral context?

(4) Are military ties with China an important "quick fix" for an alleged strategic imbalance in East-West relations?

The debate has only begun and the issues raised in these hearings have yet to be resolved, but the subcommittee believes that these hearings are an important first step and that they will serve to encourage and structure future debate on the subject.

LESTER L. WOLFF,
Chairman, Subcommittee on Asian and Pacific Affairs.

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THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA: ISSUES FOR THE 1980'S

TUESDAY, APRIL 1, 1980

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS,
Washington, D.C.

The subcommittee met at 2:10 p.m. in room 2200, Rayburn House Office Building, Hon. Lester L. Wolff (chairman of the subcommittee) presiding.

Mr. WOLFF. The other members of the subcommittee will be here shortly, but in the interest of time, I think we shall begin.

Today the Subcommittee on Asian and Pacific Affairs is meeting to consider the subject of potential sales of nonlethal military equipment to the People's Republic of China. Our objective is to examine the items which may be included in the procedures which currently are to be followed in any decision to sell military equipment to the People's Republic of China.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA MILITARY RELATIONSHIP

At the very outset, let me make my own interest clear in this matter: I am concerned that the administration is moving incrementally but surely into a military relationship with the People's Republic of China.

Moreover, I am concerned that once again China policy is being advanced without adequate consultations with the Congress and, in fact, almost in total disregard of Congress. A case in point is the decision to sell military-use equipment announced after Secretary Brown's January visit to the People's Republic of China.

As chairman of the subcommittee, I believe it imperative that the American people and the Congress be made aware of the items and procedures which may be involved and govern the sale of military-use equipment to the People's Republic of China.

Thus, in our hearing today we hope to address the following key questions:

What items are or are not being considered for inclusion under the categories of military support equipment?

What are the technological capabilities of the items involved?

What is their potential for use in offensive operations?

What criteria are used to determine what items will or will not be included on the list?

What are the procedures to be followed in making a decision with respect to a requested sale?

Are there legal provisions for appropriate congressional consultation during the decisionmaking process?

GROWING CONCERNS

Now, while our inquiry today is operational and procedural in nature, I believe it reflects the concerns of a growing number of Members of Congress with respect to China policy—where it stands and where it is going. Thus, it is with this in mind that the Subcommittee on Asian and Pacific Affairs will hold an extensive and intensive review of China policy and Sino-American relations in a series of hearings scheduled for later this summer.

I might say as well, one concern that we do have is whether or not we have a consistent China policy and how we are following that China policy; or is that China policy influenced by events in areas other than China, and how are we reacting to other situations that are developing in other parts of the world, with respect to China. In other words, the old cliche of the "China card"—is it a China card, or is it somewhat of a pat hand?

On that basis we have asked a number of people to testify who are concerned with the implementation of the sale of military use equipment to the People's Republic of China, Hon. Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs; Hon. Gerald P. Dinneen, Assistant Secretary of Defense for Communications, Command, Control, and Intelligence, whom we welcome to the Hill for his first appearance, I believe, before a committee other than getting confirmed.

Mr. DINNEEN. Thank you, Mr. Chairman.

Mr. WOLFF. And the accompanying witnesses, Mr. Nicholas Platt, Deputy Assistant Secretary of Defense for East Asia and the Pacific, and Mr. William Robinson, Director, Office of Munitions Control, Bureau of Politico-Military Affairs, Department of State. Mr. Holbrooke, would you proceed?

STATEMENT OF HON. RICHARD C. HOLBROOKE, ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS

Mr. HOLBROOKE. Thank you, Mr. Chairman. I am pleased to be here today with my colleagues to discuss U.S. policy and procedures for handling the sale of military support equipment to the People's Republic of China.

I have a statement to submit for the record.

Mr. WOLFF. Without objection, your remarks will be included in the record at this point, and you may summarize, if you wish.

Mr. HOLBROOKE. I believe the statement addresses the questions that you have raised and, rather than read it all, I would just stress that we developed this policy in several stages. We have now published the categories of the munitions list in which we are ready to consider export license applications on a case-by-case basis. I want to stress the phrase, "case-by-case basis." We have made this list public, so that the U.S. business community and the American public, and most of the world, can understand clearly both the kinds of things we are ready to consider making available to the Chinese, and the kinds of things which we are not ready to make available. By the categories we have excluded, I think, we made clear the criteria behind the decision.

CRITERIA

Just to review the three criteria, which I think is critical, the equipment technology that we are prepared to consider for sale to China must not be combat arms or ammunition. They must be items we are prepared to sell to all our friends. Third, they must not contribute to chemical, radiological, bacteriological, nuclear, or missile programs.

I will defer all the other comments to your questions, Mr. Chairman.

[Mr. Holbrooke's prepared statement follows:]

PREPARED STATEMENT OF HON. RICHARD C. HOLBROOKE, ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND PACIFIC AFFAIRS

Mr. Chairman: I am pleased to appear here today to discuss U.S. policy and procedures for handling the sale of military support equipment to the People's Republic of China. With me today are Dr. Gerald Dinneen, Deputy Under Secretary of Defense for Research and Engineering, and Mr. William Robinson, the Director of the Office of Munitions Control in the Department of State. I know that the Committee is interested in how the Munitions Control Newsletter on China was developed, how individual cases may be processed, and how the Congress will relate to that process. But before addressing these issues, I would like to offer some perspective on how the sale of support equipment to the PRC fits into the wider framework of our China policy.

SECURITY DIMENSION

First, there has always been a security dimension to our relationship with China. Since Henry Kissinger's first trip to Peking in July 1971, security issues have been a feature of our dialogue with the PRC. Indeed, the strategic basis for reconciliation between China and the U.S. after a generation of estrangement was our shared interest in a global equilibrium. In the frequent high-level consultations with China which developed, we discussed on a wide range of international issues—seeking to limit disagreements where our interests diverged; promoting parallel policies where our interests converged.

Second, it is apparent that our security depends not only on our own power, but upon the global equilibrium of forces in which China plays an important role. We have—as we have stated publicly—a stake in a strong, secure, and friendly China. For its part China has an interest in a powerful and resolute United States maintaining strong alliances in Europe and Asia. Since we no longer regard each other as adversaries, we need no longer organize and deploy our forces in the expectation of conflict with each other. This is a matter of real significance to the security of both our peoples and to the East Asia region. It permits us to concentrate our resources on the real challenges we each face.

EXPANDED RELATIONS

Third, with the normalization of our relations with China some fifteen months ago, the scope and the quality of our bilateral cooperation has expanded dramatically. Recognizing that China's contribution to regional and global stability will be shaped by the success of its efforts to modernize its agriculture, industry, science and technology, and national defense; we have moved to provide some support for its attempts to achieve these well-known Four Modernizations. It was in the context that Secretary Brown visited China in January. While in Beijing, Dr. Brown sought to broaden our strategic dialogue with China—adding an arms control strand to it—and laid the basis for further exchanges between our respective defense establishments. At the same time he made clear our willingness to countenance some transfers of technology to China that we would not approve for the Soviet Union. Finally, he indicated that we would be prepared to consider on a case-by-case basis sales of some military support equipment to China.

Fourth, these decisions do not foreshadow a U.S.-China alliance. Neither we nor the Chinese seek such an alliance. Nor do we anticipate any joint Sino-U.S. military planning. And we have no plans to sell arms to China.

Fifth, China's defense establishment is large but relatively backward. While China has sought some foreign assistance in improving its defenses, military

modernization enjoys the lowest priority among the four modernizations. To the best of our knowledge, the many military missions China has sent abroad in recent years have concluded few major acquisitions of foreign equipment. We believe this reflects China's limited foreign exchange reserves and also China's interest in acquiring technology rather than hardware.

EXPORT LICENSES

Sixth, having indicated a willingness to sell certain types of military support equipment to China, we faced the need to define with some greater precision those types of equipment for which export licenses might be granted. Secretary Brown had mentioned trucks, certain types of radar, and communications equipment as illustrative of what we had in mind. But this did not furnish sufficient guidance regarding U.S. intentions to the Congress, the public, foreign governments, or U.S. industry.

CLARIFIED INTENTIONS

We have clarified our intentions in terms of categories on the U.S. Munitions List. These categories are familiar to U.S. business and readily comprehensible to others. They deal in general types of equipment rather than in specific models and so give us a degree of flexibility in making decisions on individual export requests. At the same time we were able to make clear, by the categories we excluded, the general criteria that were used in making this decision.

The equipment and technology we would be prepared to consider for sale to China must not be combat arms or ammunition, including vehicles and craft designed as platforms for combat arms such as warplanes and tanks.

Second, they must be items we would be prepared to sell to all our friends.

Third, they must not contribute to chemical, radiological, bacteriological, nuclear or missile programs.

This review left us with a list of equipment used largely for supply, maintenance, training, and communications. These are the items in the recent published Munitions Control Newsletter.

EXPORT CONTROL PROCESS

Let me now outline briefly for you the export control process through which applications to sell military equipment to China will be addressed. The Arms Export and Control Act authorizes the President to designate those articles which shall be considered arms, ammunition and implements of war and to control their import and export in furtherance of world peace and US foreign policy. The President has delegated this authority, through the Secretary of State and the director of the State Department's Bureau of Politico-Military Affairs, to the director of that bureau's Office of Munitions Control. Those articles so designated appear on the US Munitions List, which forms part of the International Traffic in Arms Regulations (ITAR), Title 22 of the Code of Federal Regulations. The Office of Munitions Control is responsible for authorizing commercial exports of Munitions List articles. Mr. William Robinson, the Director of this office, is here today to answer any questions you may have concerning the licensing procedure.

The Department of State, with the concurrence of the Department of Defense, decides which articles constitute arms, ammunition and implements of war for export control purposes. The Department of State also consults with the Department of Defense and Commerce to determine whether State or Commerce should have commodity jurisdiction over articles with both military and civil uses.

The Office of Munitions Control receives applications to export US Munitions List articles via commercial channels. The office initially examines each application to determine whether:

The article proposed for export is on the Munitions List;

The article is excluded by US Government policy from export;

The article is excluded by US Government policy from being exported to the intended destination;

The application requires the views of other Department of State offices and other government agencies; and

Other considerations reflected in the application are germane to approval or disapproval of an export authorization.

The Munition Control office then judges each application based on various applicable statutes; the ITAR; US foreign policy; precedents; technical views, whether a particular export is in the overall interest of the US and other factors.

SECURITY AND TECHNICAL MATTERS

On security and technical matters, the Munitions Control office may seek the views of various agencies of the Department of Defense, ACDA, and other agencies. In matters concerning US foreign policy, the office may request the views of regional and functional bureaus in the Department of State and of other agencies. Export license requests to China will likely involve all the above agencies on a regular basis.

As you see, we would consider each export license request involving China individually on its merits. In general terms, our consideration will bear in mind our national security and that of our allies. Specific considerations, in addition to the points I made earlier, will include the level of technology involved, the likely end-use, and how it would fit into China's current military posture. The legislated limit on the size of commercial military equipment exports, as set forth in the Arms Export Control Act, will, of course, also figure in any decision. Before export authorization is approved, we will require the usual assurances concerning transfers of U.S. equipment to third parties. Our control of spare parts for U.S. equipment will enable us to monitor these agreements. Let me also note that we have not yet authorized any exports under these new guidelines.

To lend perspective to the list of articles we are prepared to consider licensing for export to China, let me read you a partial list of articles we do not intend to export to China: firearms, artillery, ammunition, explosives, naval vessels of war, tanks, combat aircraft such as those designed for gunnery, bombing, or missile launching, and aircraft designed for refueling.

CONGRESSIONAL ROLE

Let me now say a word about the role of Congress. Our relationship with China is so important that we intend to take special care to consult with Congress as we move ahead in improving our relations with that country. The Congress has established by law an elaborate reporting system with regard to the sale of articles on the Munitions Control List; and we will of course comply with all requirements of law regarding exports of Munitions List articles to China. Meanwhile, we will continue to keep Congress informed of significant developments in other areas of U.S.-China relations.

Mr. WOLFF. Thank you, Mr. Holbrooke.

Mr. Dinneen, do you have a prepared statement?

STATEMENT OF HON. GERALD P. DINNEEN, ASSISTANT SECRETARY OF DEFENSE FOR COMMUNICATIONS, COMMAND, CONTROL, AND INTELLIGENCE

Mr. DINNEEN. Yes, Mr. Chairman, I do. I would like to ask that it be entered into the record.

Mr. WOLFF. Without objection, it will be entered into the record.

Mr. DINNEEN. I would like to make a few comments at the outset. First of all, I thank you for your welcome to this subcommittee. I have had the opportunity to appear before other committees. I would like to appear as an amateur, but those appearances have, of course, been primarily in defense of the defense budget in appearances before the Armed Services Committee and the Appropriations Committee.

It is a pleasure for me, however, to appear before this committee to discuss, along with Secretary Holbrooke, this issue of the munitions control list.

In his prepared statement Secretary Holbrooke has outlined the specific responsibilities and authorities of the executive branch and of the

Congress, and I will just take a moment to tell you what our responsibilities are in Defense. I will not repeat those facts, but I just want to assure you and this committee that we plan to implement any transfer of equipment or technology to the People's Republic of China within the established procedures which have been determined over the years.

ADVISORY ROLE

The primary role of Defense is to advise the Department of State with respect to the national security impact of items on the munitions control list which are prepared for export to the People's Republic of China.

The Secretary of Defense has delegated this advisory responsibility to the Under Secretary of Defense for Research and Engineering. I serve as his principal deputy and also as the Assistant Secretary of Defense for Communications, Command, Control, and Intelligence, as you have indicated.

Since I accompanied Secretary Brown to China and discussed these matters with the Chinese military officials, the Secretary has asked me to appear before you today.

We have had, since our return, numerous inquiries from industry asking us whether or not they could speak to the People's Republic of China about specific items of equipment. It was our purpose to inform all of the interested American industries as to which items we would consider for export to the People's Republic of China. That is the primary purpose of the munitions control list, as Secretary Holbrooke has explained.

CASE BY CASE

Now, this is the first time that we have been willing to consider sales to the People's Republic of China of any items on the munitions control list. So, we are breaking new ground, and many details still need to be worked out. Much of this will occur when we begin to consider requests on a case-by-case basis, which will lead naturally to further clarification of the items suitable for release.

I would like to close with just a few remarks on what I believe will be the role of the Defense Department in future considerations of the items on the munitions control list for China. As I have already said, each application for licensed exports to the People's Republic of China will be judged on its individual merits to determine releasability of the commodity. A case-by-case review will be conducted to evaluate proposed exports in terms of overall policy and use, political and military factors, technological state of the art, and foreign availability—that is, availability of equipment from some other source.

Each of the items on this list includes many specific products, each of which has a different level of technology. The intent is to judge the technology question for each case individually. Items contained in the Munitions Control Newsletter No. 81 are nonlethal, defensively oriented equipment. During the case-by-case review process, the potential end use of all proposed exports will be carefully evaluated to insure that only those which would not jeopardize the national security of the United States and our friends and allies are approved.

Thank you, Mr. Chairman.

[Mr. Dinneen's prepared statement follows:]

PREPARED STATEMENT OF HON. GERALD P. DINNEEN, PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE FOR RESEARCH AND ENGINEERING AND ASSISTANT SECRETARY OF DEFENSE FOR COMMUNICATIONS, COMMAND, CONTOL, AND INTELLIGENCE

Mr. Chairman, it is a pleasure for me to appear before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs and to present the Department of Defense views on the recent munitions control letter on categories of support equipment to be opened to China.

DEPARTMENT OF DEFENSE ROLE

I would like to take a few moments to explain the role of the Department of Defense in this matter. Secretary Holbrooke has outlined the specific responsibilities and authorities of the executive branch and of the Congress in these matters. While I will not repeat those facts, I do want to assure this committee that we plan to implement any transfer of equipment or technology to the People's Republic of China within those established procedures. Consequently, the role of Defense is to advise the Department of State with respect to the national security impact if items on the munitions control list are exported to the People's Republic of China.

The Secretary of Defense has delegated this advisory responsibility to the Under Secretary of Defense for Research and Engineering. I serve as his principal deputy and also as the Assistant Secretary of Defense for Communications, Command, Control, and Intelligence. Since I accompanied Secretary Brown to China and discussed these matters with Chinese military officials, the Secretary has asked me to appear before you today.

CASE-BY-CASE BASIS

After the trip to China by the Secretary of Defense, a press release was issued by DOD which said in part, "That the United States was prepared to consider, on a case-by-case basis, the sale of certain carefully selected items of support equipment also suitable for military use, for example, trucks, communications gear, certain types of early warning radar."

Following that release we have had numerous inquiries from industry asking us whether or not they could speak to the People's Republic of China about specific items of equipment. It was our purpose to inform all of the interested American industries as to which items we would consider for export to the People's Republic of China. This is the primary purpose of the munitions control list as Secretary Holbrooke explained.

Since this is the first time we have been willing to consider sales to the People's Republic of China of any items on the munitions control list, we are breaking new ground and many details still need to be worked out. Much of this will occur when we begin to consider requests on a case-by-case basis which will lead naturally to further clarification of the items suitable for release.

Now I would like to close with a few remarks on what I believe will be the role of the Defense Department in future considerations of the items on the munitions control list for China. As I have already said, each application for licensed export to the People's Republic of China will be judged on its individual merit to determine releasability of the commodity. Case-by-case review will be conducted to evaluate proposed exports in terms of overall policy, end-use, politico-military factors, technological "state-of-the-art" considerations, and foreign availability.

Each generic item identified on the list includes many specific products each of which has a different level of technology. The intent is to judge the technology question for each case individually. Therefore, it is not possible at this time to be specific about the technological capabilities of the equipment on the list.

Items contained on the Munitions Control Newsletter No. 81 are nonlethal defensively oriented equipment. During the case-by-case review process, the potential end use of all proposed exports will be carefully evaluated to insure that only those which would not jeopardize the national security of the United States and our friends and allies are approved.

CONGRESSIONAL ROLE

Mr. WOLFF. Thank you, Mr. Dinneen.

Mr. Holbrooke, Mr. Dinneen did say this was a substantial change

in policy, the idea of selling military use equipment to the People's Republic of China. I do not want to get into the long hassle that we had before as to the lack of consultation on a change of policy, but I do want to find out what process and what means you are going to take in order to permit the Congress a role in making a determination on the sale of equipment. I am a little concerned about nonlethal defense equipment due to the fact that we are now very heavily engaged in a political battle with the Soviet Union on nonmilitary equipment that we sold them in the past, which they are now using in a military mode and certainly not for defensive purposes. The Soviet Union is not in Afghanistan to defend themselves, so, they are using it in an offensive mode—the heavy trucks that were used to transport equipment and transport people into Afghanistan.

Now, what kind of a role do you envisage for the Congress, Mr. Holbrooke and Mr. Dinneen, in further proceedings along these lines?

Mr. HOLBROOKE. We will follow the law in regard to consulting and informing Congress on the making available to China of these selected items of military equipment, which will be approved on a case-by-case basis.

Specifically, under the existing law, if a sale of a major defense item totals $7 million or more, it must be submitted to both Houses of Congress, and the Congress has 30 days in which to act if it wishes the sale not to go forward. We will be doing that when and if the occasion arises.

At this point I want to stress that we are not in the business of entertaining specific requests from the Chinese yet for specific items: that is well down the road.

Mr. WOLFF. You have already determined categories, which have been listed.

Mr. HOLBROOK. That is correct. The process that we followed began with the fundamental decision to develop this new aspect of foreign policy. That was communicated to the Chinese by Secretary Brown on his January trip. We then returned to Washington where the change in policy was made public. At that point the bureaucracy was asked to take the munitions control list, and Mr. Robinson, on my right, is the man designated by the Secretary of State under law with responsibility for that list, which is divided, I think, into 18 categories; in those categories are subcategories which would be available, and those which would not be available, on a case-by-case basis—I cannot stress that phrase too much.

CASE-BY-CASE PROCEDURE

Mr. WOLFF. Who has the determination over the case-by-case?

Mr. HOLBROOKE. The process that we will be following on this will be first, either the Chinese will express a more specified interest than they have up to now on specific items—so far their interest has been generic, in categories. They are really window-shopping, they are not making any specific requests. Just as they have done in Europe for a long time.

Or, alternatively, American manufacturers who see that they make

an item on the list of things eligible for consideration may approach us for permission to discuss the matter with the Chinese.

In either case, before it can go any further, U.S. Government approval will be required. Then, as we move forward, there will be a point at which the Chinese will want to know if they ask for such and such an item, will the United States be willing to sell it. That decision will be made through a procedure which begins with the Office of Munitions Control under Mr. Robinson. Then, if necessary—and I suspect it will be, given the tremendous importance of this issue—this will go up to higher levels of the Government where policy decisions will have to be made.

At this point, these discussions have not taken place, nor have we defined precisely what we mean in each individual case. But the essential second step, the publication of Munitions Control Newsletter No. 81 has now been accomplished.

Mr. WOLFF. On the list that you have established, Mr. Robinson, are all those items on the munitions control list?

Mr. ROBINSON.[1] Yes, sir.

Mr. WOLFF. They are all under your aegis?

Mr. ROBINSON. Yes, sir.

Mr. WOLFF. What was the direction or the criteria that you were given by the Secretary of State, resulting in the various categories that are contained in your newsletter No. 81?

Mr. ROBINSON. The material was prepared by a group which was designated for that specific purpose. I was in on a couple of meetings with them, and the material was approved at the appropriate level and given to me. I used the newsletter, which my office puts out, as the vehicle to publish it. So, it is not quite proper to say that I prepared it, it was prepared by a group formed for that purpose.

Mr. WOLFF. Mr. Dinneen, what role does DOD have in this?

Mr. DINNEEN. Well, after the procedures that Secretary Holbrooke has outlined; namely, the American company comes to the Board and the State Department, indicating an interest to speak to the Chinese about a particular piece of equipment. When that progresses to the point where they require an export license, that request comes to the State Department and then is forwarded over to the Defense Department for our review.

Mr. WOLFF. Is it forwarded to the Defense Department, or Commerce?

Mr. DINNEEN. Well, it may go to both. In the case of Defense, we are asked to review it from the point of view of its impact on national security.

Mr. ROBINSON. May I just go into detail on that for a second?

Mr. WOLFF. Yes, please.

APPLICATION PROCEDURE

Mr. ROBINSON. Normally, our applications are from industry. In case of the People's Republic of China, any applications which we receive, when we get them, they are what we call "staffed" in our bu-

[1] William Robinson, Director, Office of Munitions Control, Bureau of Politico-Military Affairs, Department of State.

reaucratic language. We send them to the Department of Defense; we send them to the appropriate military department within the Department of Defense; we send them to the East Asian Bureau of the Department of State; we send them to the Arms Control and Disarmament Agency, and anyone else who might have an input.

Then, as we get them back, if there is a strong—and I am not speaking of the People's Republic of China particularly—if there is a strong veto from anyone, a dissent, the case is denied. That is the procedure.

If everyone agrees and it is just a normal case of spare parts for a country in Western Europe, it will be approved. In the case of the People's Republic of China, we will get all the input from the various agencies, put it together and then work with Mr. Holbrooke, Mr. Dinneen, and Mr. Platt. They will go to the appropriate senior level. Afterward the decision will be made and instructions will come back to me.

TECHNOLOGY TRANSFER

Mr. WOLFF. Well, the Department of Commerce has a role in technology transfer, do they not?

Mr. ROBINSON. Yes. The Department of Commerce has its own list. If something is on the munitions list, the Department of State controls it. If it is on the commerce list, Commerce controls it and works with the Department of State. There is not an item that can be on both lists, it is either on the munitions list or it is not.

Mr. WOLFF. On the question of technology transfer, we tried desperately—some of us in the Congress—to pass that responsibility over to you. Unfortunately, we were not very successful in that. We were able to give you some degree of authority over that, but on an item which is not on the munitions list, the bulk of the responsibility rests with the Commerce Department for granting the license. Am I correct on that, or do you have a veto?

Mr. DINNEEN. We have what essentially is a veto. I do recall the bill which you cosponsored. The responsibility within the Defense Department also rests within Dr. Perry's office and my office for the review of technology transfer. That would mean that those items which are basically civilian items but which might have identifiable military applications are included on the commodity control list; items over which the United States has unilateral control. These approximately 40 items are over and above that which is controlled by Cocom. When requests for export of those items are brought to the Commerce Department, they send them over to the Defense Department for our review. If we have no objections, they are approved; if we object for national security reasons, the item may not be approved unless the President overrules Defense.

DEVELOPING U.S. POLICY

Mr. WOLFF. Mr. Holbrooke, I do not want to infer that I am opposed to the idea of sale of military equipment to the People's Republic of China in the same fashion as we engage in sale of equipment to any friendly country. The People's Republic of China should share in that opportunity.

I would just like to know, however, who initiated this idea of sales. Was it initiated by us, or was it requested by the Chinese?

Mr. HOLBROOKE. You mean where did the impetus for policy development come from?

Mr. WOLFF. Yes.

Mr. HOLBROOKE. I think it was a natural development in the course of the postnormalization relations between the two countries.

Mr. WOLFF. Well, even with a natural thing you have to have two people get together, you know. [Laughter.]

Mr. HOLBROOKE. The policy change was presented to the Chinese as an American initiative during Secretary Brown's trip on January 6, 7, and 8. Dr. Dinneen and I, and Mr. Platt, all participated in the meetings which were held, some between Secretary Brown and Geng Biao, the Vice Premier; some between Mr. Dinneen and his Chinese counterpart, and some between myself and members of the Foreign Ministry.

The Chinese at first were not entirely clear on the distinction between military equipment and military arms, a distinction which they had not previously perceived. So, we spent some time talking to them about that, and I think after those discussions they understood the policy. Subsequently, we had discussions here in Washington which Dr. Dinneen and Mr. Platt have conducted, and which the State Department has participated in, in which we have been clarifying and defining precisely what the policy initiative meant.

CONSIDERING CERTAIN AIRCRAFT

Mr. WOLFF. I can understand the categories as you have outlined them, but you say in category VIII in the Munitions Control Newsletter:

> (a) certain aircraft, including helicopters, designed, modified or equipped for the following purposes: liaison, cargo/personnel carrying, and lighter-than-air aircraft; airborne equipment, excluding airborne refueling equipment, specifically designed for use with the aircraft and engines of the types described in paragraph (a), launching, arresting and recovery equipment for the articles in paragraph (a) of this category; component parts, accessories, attachments, and so on.

When you talk about "certain aircraft" you obviously have some parameters that you consider. What are those parameters?

Mr. HOLBROOKE. Mr. Chairman, I am glad you raise this question because it gives me an opportunity to clarify a very important point.

These categories are the formal, designated categories of the overall, based on title 22, Code of Federal Regulations, part 121, subchapter (m), the so-called ITAR list—international traffic in arms list. These are standard categories, a very long list, and I think it might be useful to submit for the record in your hearing not just newsletter No. 81, but the full list so that people can see not only what has been included, but what has been excluded.

Now, having said that, you asked a very critical question, what does, for example, VIII(a) mean, certain aircraft, including helicopters, designed, modified or equipped for the following purposes, et cetera. The answer is, we have not yet made that determination. We are not going to make it at this point. This is a broader category than we necessarily want to make available on a case-by-case basis. We will decide that on the basis of, first of all, what the Chinese are inter-

ested in. Second, what we think is consistent with the general criteria I have already laid out.

So, I want to stress that there may be things which fit into category VIII, which are not necessarily going to be made available on a case-by-case basis. That decision is yet to come. I can tell you in all honesty that we have not addressed that decision yet, nor do we need to at this point because the Chinese have not indicated yet any specific requests which need to be approved or disapproved in the manner which Mr. Robinson, Dr. Dinneen and I have already laid out. But, we will deal with these problems as we move along and we will be consulting Congress on their views on those issues.

Mr. WOLFF. That equipment that is sold, obviously, in several categories, will need some sort of education and training. Does that mean that you are now making available or will make available American personnel to be used for training purposes?

Mr. HOLBROOKE. I do not preclude it. In other words, if it is an appropriate part of a relationship in one of the sales areas, it is quite possible that such a thing could take place. This would not be U.S. Government officials, necessarily. Most likely it would be personnel from the industry making the product, once it is approved.

CASH SALES

Mr. WOLFF. Do you anticipate coming to us and asking for foreign military sales credits?

Mr. HOLBROOKE. No.

Mr. WOLFF. These will be cash sales?

Mr. HOLBROOKE. Yes.

Mr. WOLFF. All cash sales?

Mr. HOLBROOKE. Yes.

Mr. WOLFF. If you decide that you are going to extend credits, will you come to the Congress because that will be a change of policy, then?

Mr. HOLBROOKE. We do not plan to ask you for credits.

Mr. WOLFF. If you decided upon extending credits, will you come to the Congress and ask the Congress?

Mr. HOLBROOKE. I think we would have to, Mr. Chairman.

Mr. WOLFF. I do think you are supposed to. [Laughter.]

Mr. Mica.

A CHANGE OF HEART

Mr. MICA. Thank you, Mr. Chairman.

Welcome, again, Mr. Holbrooke and gentlemen. What is the rush? I mean, we had 30 to 40 years of antagonistic relations with China, about 35 years. We did not speak to them. We fought them in every bend in the road in the United Nations. We tried to get certain policy changes. We did not recognize them.

We just recognized them formally, opened the door a year ago January, or thereabouts, and now we are ready to list out that we are prepared to sell them aircraft, training equipment, pilot trainers, flight simulation devices, radar trainers, search radar systems communication.

I undersand the case-by-case basis, but the chairman asked a question what brought it about—this still is a mystery to me, this quick, in a

period of less than 12 months dealing with a nation that historically has talked in terms of hundreds of years to change a policy. Is it the current situation?

Mr. HOLBROOKE. I do not think we have rushed, Mr. Mica. The very facts you cite, 30 years of noncommunication, of legal and bureaucratic obstacles; of psychological and historical inhibitions are what we and the Chinese agreed to sweep away.

If the United States and the People's Republic of China had had relations over that period of time, what has been encapsulated in the last 15 months—which has been a very important 15 months in the development of both countries, the relationships with each other and, in my view, the goal of strategic balance—would have been spread out over a 20-year period. Had that happened, these issues would not have arisen. If we proceeded with our relationships with China in 1979 and 1980 as though the year was 1959–60, it would be the end of the century before we had anything remotely approaching a normal relationship.

Hence, in the first 15 months of the United States-Chinese post-normalization relations we have had three clear phases, and we have moved very fast. But we have not moved faster than either side wanted, or was in our national interests.

In the first place, we recognized each other. That was the act of normalization, the establishment of relations, opening of embassies, Senatorial confirmation of our Ambassador, the accreditation of theirs, Deng Xiaoping's trip.

In the second phase we tried to put our nondiplomatic, bilateral relations on a normal basis, This has been in the area of the offer of Eximbank loans which we are now working out; OPIC guarantees; opening of consulates; the designation of China as a friendly nation under article 607(a) of the Foreign Assistance Act, so it is eligible for reimbursable assistance; a hydropower agreement; cultural exchange, and so on.

The third phase began with Secretary Brown's trip, and in that we have tried to move beyond the bilateral relations into discussions of broad, strategic issues of mutual interest.

Now, this particular issue which brings us together today is one which really merges the second and third phases, part, in our view, of a normal relationship between China and the United States.

U.S.-U.S.S.R. RELATIONS

Mr. MICA. Two points. Do we have a normal relationship with Russia right now, and will the fourth phase be selling arms?

Mr. HOLBROOKE. I think that our relationships with the Soviet Union at this point are technically normal, and in political terms are very strained. But I believe what we have done with the treatment of China is part of the normal relationship of the United States and China. You do not treat all 150 nations in the world identically when you have normal relations with them. We take into account the special circumstances of each nation.

There are many things we do with our allies, Japan or NATO, or our close friends in ASEAN which we will not do with the People's Republic of China.

Mr. MICA. Well, I still feel from your dissertation here, listing all of the things that happened in the past months are phenomenal. Everything that we have done in 15 months is more than one would even have dreamed about 15 months ago.

Mr. HOLBROOKE. I would like to interpret that as praise for our policy, Mr. Mica.

Mr. MICA. It might be. I mean, it is praise to a certain point. But it comes back to the point that the chairman raised, it just seems in my mind we are moving so quickly, and we have come to a recommendation here for selling what I consider to be questionable items to a friend that we really have not gotten to know yet, nor do we have economic balances in place that could give us some kind of a foundation to build from. When I say that, I am talking in terms of, it appears that our Government action is far outstripping our commercial action.

I do not know how many new ventures are involved in China right now on a sound footing, and what impact they have had on various communities, and so on. But certainly, whatever it is, these initiatives far exceed what could have been done in the private sector, and that concerns me.

When you had this meeting, you said there were other agreements that were made at this meeting. You alluded to a number of agreements in a meeting that this came about. What agreements?

Mr. HOLBROOKE. I am not sure I follow you, Mr. Mica.

Mr. MICA. Maybe I misunderstood you. When the chairman said, "How did this come about?" You said that you participated in a meeting and, "We came to certain ageements of issues to discuss," something along those lines. Were there other areas that have not been mentioned, other than this list?

OTHER DECISIONS REACHED

Mr. HOLBROOKE. There were two related, but separable decisions that Secretary Brown conveyed to the Chinese during this trip, and that is the reason why my colleague, Gerald Dinneen, was such an important part of the trip.

The first is the one we are here discussing. The second one related to this technology in the U.S. context and the COCOM context where we indicated to the Chinese our readiness to consider improvement of the procedures by which technology exports to China are considered. In neither case have the Chinese been put on a comparable basis with our treaty allies or close friends in places like ASEAN.

Mr. MICA. But the point of my question, to be specific, you came out of a meeting, a specific meeting at some place at some time, or a series of meetings, and you have decided that here is a list of things that we may sell the Chinese.

Were there other agreements at that meeting, or during that meeting, that are forthcoming?

Mr. HOLBROOKE. In fact, Mr. Mica, perhaps we have a slight misunderstanding, when we saw the Chinese, we did not give them this list.

Mr. MICA. I understand that.

Mr. HOLBROOKE. We had to come back and develop it.

Mr. MICA. But you agreed to come back and develop it; is that correct?

Mr. HOLBROOKE. We told them that we were now prepared, in general, to make a distinction between military weapons and military support equipment, a distinction which we discussed with them until there was a mutual understanding of what was entailed.

At that point, we left China and they said, "Well, what does it mean, what are you actually going to sell us; and what are you not going to sell us?" We said, "We are not ready to discuss that with you, we just want to tell you about the distinction." They said, "OK, we understand that. That is very interesting. We like that very much. Please, tell us what you mean by it."

We came back to Washington, had the round of consultations in Washington; made public the change in policy before Munitions Control Newsletter No. 81 was published. At that point, we had not yet begun to develop the newsletter statement. After we made public the change in policy, we then sat down and worked out the exact details of what would and would not be on the newsletter list.

CHANGE WITHOUT CONSULTATION

Mr. MICA. All right. That, I think, is the whole point of this hearing. I believe—at least for this member of the committee—I read about the change in policy in the newspaper, I do not know about the chairman, maybe he was consulted.

Mr. WOLFF. I want to make it eminently clear that I was not.

Mr. MICA. There was a change of policy, I knew nothing about it. This committee knew nothing about it. There was a meeting where this emanated from. I am just wondering if there will be other points that will come from this meeting, or other changes in policy, and this committee will read about it in the paper.

I interpret the duty of this committee to have some input in this policy—rightly. Is this the forerunner of some new announcement?

Mr. HOLBROOKE. No, it is not. We are not going to issue a second Munitions Control Newsletter with new criteria, if that is what you mean.

Mr. MICA. Well, you have been very specific there. How about others, technology, for instance?

Mr. HOLBROOKE. Technology, we have already consulted with you on, that change in our relationships to the COCOM procedures and China's role, and also a parallel which Mr. Dinneen can address more specifically than I. The Soviet Union's and our changes are a matter of considerable consultation.

NO OTHER ANNOUNCEMENTS

Mr. MICA. Let me just try it from another angle here, maybe I am misinterpreting your specificity. Is there something you can tell this committee in closed session that you cannot tell us now?

Mr. HOLBROOKE. On this issue?

Mr. MICA. On any forthcoming announcement.

Mr. HOLBROOKE. No; there is not. There is no forthcoming announcement I am aware of in regard to United States-Chinese relations. On

the contrary, if you read the speech I gave last week on U.S. policy toward East Asia, you will note that, having listed this tremendous number of actions that took place in the last 13 months, I very specifically and deliberately said that we envisage the pace of movement in Sino-American relations to slow down gradually to a more normal pace. I listed only four items that I wanted to see rapid progress on, those were a maritime agreement; a textile agreement, which is the hardest, for political reasons; a civil aviation agreement—and on that, I am delighted to say that negotiations will begin in Peking on April 15—and a treaty on consular affairs. Those are the only four items I specified.

SOVIET UNION MOVEMENT

Mr. WOLFF. Would you yield for just a moment?

Mr. MICA. Certainly.

Mr. WOLFF. On this meeting that was held, did you expect anything from the Chinese Government whatsoever in the way of military commitments, in return for the sale?

Mr. HOLBROOKE. We did not ask for any because we were talking about a general proposition and not asking for a specific quid pro quo.

Mr. WOLFF. Did this change of policy occur as a result of any movement by the Soviet Union?

Mr. HOLBROOKE. I think there was a clear relationship between the two.

Mr. WOLFF. Thank you.

CONCERN FOR POLICY

Mr. MICA. Mr. Chairman, that concludes my comments or questions at this point, although I would like to say, I probably have a little bit more concern than you have expressed with regard to moving so quickly, and not out of any knowledge that there is a problem with this. I have none whatsoever, I do not claim to have knowledge of any problems or concerns that would arise from this. But I have looked at the world situation in my own limited way and see what we have built by way of trucks in the Russian system, and those same trucks are now being utilized in the invasion of Afghanistan. We did ask, apparently, no quid pro quo.

As we look around the world, it just seems to me that we need to focus a sharper eye on every one of these—and I do not mean that improperly—but I feel my duty is to question all of these sales.

Mr. HOLBROOKE. Mr. Mica, I want to stress that we have not reached any sales decisions yet. So, it would be inappropriate to ask for quid pro quos. I think you are prejudging an issue on which we have not even had discussions.

Mr. MICA. What happens here, once the sale is announced, then they come to the Congress. That is what always happens. "The sale is announced, our Nation has made a commitment. You must follow through with our commitment." So, we get it either way.

So, I think, before we ever get down to these points we really ought to be careful. I had thought, when this first came out, about introducing some type of legislation for a 1-year moratorium on all

actions that would provide sales or actions of this type. I do not know the ramifications of such legislation. I know they could be difficult if indeed something like that passed. But, I would hate for others that follow me to say what I have said about those who proceeded me, that we may not have taken enough care and caution on a lot of these types of weapons. It has happened to this Nation, we have allowed our own goods and commodities to be used in a way that has hurt a lot of people.

Mr. HOLBROOKE. Mr. Mica, I want to assure you that we share these sentiments. We are not going to make available to the Chinese, even if they fall inside these categories, items which we think are adverse to our security or that of our friends, or to stability in the region. We have not given away any options by doing this. If we had not done this, we would have precluded the possibility of such exports.

Now, unless one believes that the fundamental decision was wrong—and I recognize that on this honest people can differ, but we believe this was the correct decision taken at the correct time, in the most efficient and policy-helpful sense—then it was the right thing to do. It removed a constraint which was no longer in our interest to maintain. It did not put us in a position where we had to do anything we did not want to do. I want to stress that.

While I recognize your point about the trucks to the Soviet Union, I think the situation is significantly different in every respect.

Mr. MICA. Thank you, Mr. Chairman.

EFFECT ON SOVIET UNION

Mr. WOLFF. Mr. Secretary, you answered my question whether this was influenced by any movement by the Soviet Union, or in some other fashion, by events that transpired prior to the decision being made.

What effect would you say the change in policy like this—this is a very basic policy change—would have on the Soviet Union? I have no preference for either side in this conflict, except I think I tilt heavily toward the Chinese under the circumstances—that is a phrase you have used in the State Department before.

Mr. HOLBROOKE. Mr. Chairman, as far as the effect on the Soviet Union goes, I do not profess to be an expert on the Soviet Union or its policies.

Mr. WOLFF. Was it intended to have an effect upon them?

Mr. HOLBROOKE. It was intended to strengthen the strategic position and advance the policies of the United States at a moment when we are facing a new challenge in an unstable part of the world, in Southwest Asia, and when we are facing questions about Soviet efforts to support the Vietnamese and build up their own installations along the Vietnamese coast.

SYMBOLIC OR MEANINGFUL

Mr. WOLFF. What I am getting at, Mr. Holbrooke, is this intended as a symbolic gesture, or really, does this provide the Chinese with increased capability of a meaningful nature?

Mr. HOLBROOKE. I leave other people to draw the symbolism, I am not very good at symbolism. I think that over time we believe this will

contribute to a strong, secure, friendly China which in turn will be contributory to stability in East Asia.

Mr. WOLFF. Well, will it increase—and I would like to have Mr. Dinneen's or someone else's view on this—the defense capability of the Chinese?

Mr. DINNEEN. Mr. Chairman, I will repeat again what Secretary Holbrooke has said, we have not, of course, made any decisions on the munitions control list items. Before I answer that question, I would like to take just a moment to go back to remind you that during the past 15 months there has been a great deal of commercial pressure—Mr. Mica raised that point—on what we referred to earlier as dual use technology, civilian technology, which could in fact have military applications.

All of those sales which will have been approved, have been approved with constraints on the end use. In fact, one of the major purposes of our visit was to explain the distinction between the dual use technology and this military support equipment.

The categories of equipment that we talked about here, as I indicated earlier, can range in technology from very simple things to very complex things, and each of those would be reviewed on a case-by-case basis.

It is clear, I think, to everyone that the Chinese military capabilities are well behind ours and well behind the Soviet Union's. So, even the acquisition of support equipment, such as trucks, as we discussed earlier, or communications, will help them to achieve a more stable and secure China. In that case, it is in our national interest.

SALE OF HARDWARE

Mr. WOLFF. I have one more question before I yield to Mr. Solarz, and that is: The equipment that you have in category IX specifically, training equipment oriented for pilot training, flight simulation devices, operational flight trainers, flight simulators and the like, does not this lead to the sale of hardware?

Mr. HOLBROOKE. Once again, Mr. Chairman, category IX involves an internal range. Take flight simulators, for example; those can be flight simulators for all types of aircraft, civilian, military, attack, strategic. There is a wide range of options involved here. So, therefore, decisions will have to be made internally within category IX if interest is shown by the People's Republic.

Second, some of these seem to imply technical training, and some do not. So, again I would stress that category IX is undoubtedly broader in theory than it would be in actual application under the situation.

Mr. WOLFF. Mr. Solarz.

CONCEPTUAL FOUNDATION OF POLICY

Mr. SOLARZ. Thank you very much, Mr. Chairman.

Mr. Secretary, I want to try to get a better understanding, if I can, of the conceptual foundation of this policy. Would you let us know why you believe it is in our national interest to sell military equipment to the People's Republic, but not military weapons?

Mr. HOLBROOKE. We believe that helping the Chinese develop the ability to modernize their defensive establishment in certain selected areas of a nonoffensive nature, primarily, is in the mutual interest of the United States and China and furthers stability in the region. For example, Mr. Solarz, let us take the example of over-the-horizon radar, an example which Secretary Dinneen was specifically authorized and instructed to use as an illustrative one with the Chinese. Over-the-horizon radar hardly threatens any of China's neighbors, but it does improve China's ability, if they desire—and they have not so indicated, I want to stress that—but it would improve the Chinese ability to protect itself. That, we think, is in the interest of stability of the region and of the United States.

Mr. SOLARZ. Well, there are all sorts of defensive military equipment which could be primarily utilized for the defense of China, which by your own logic would also contribute to the stability of the region.

If our purpose here is to contribute to regional stability by giving China the capacity not to wage war against other nations but just to defend itself against attacks from other nations, why not include in the list of permissible items, essentially defensive weapons?

Mr. HOLBROOKE. Once you cross the line between equipment and weapons, then the next subdivision, between offensive and defensive weapons, is a pretty thin one. I know that for 50 years in Geneva and elsewhere the international arms control community has tried to define the difference. But, when you get right down to it, it is a very tough line to define. We felt that moving into that area would have negative consequences of a larger sort, beyond the United States-Chinese relations.

Mr. SOLARZ. What would they be?

ASIAN CONCERN

Mr. HOLBROOKE. I think they would raise serious concern in very many other nations in the world. For example, in the discussions that many of the people who are here with me today, and I have had recently with American Ambassadors and envoys in Asia, we have found very widespread feelings that the other countries of Asia would be very concerned if that particular line you are now alluding to were crossed.

I stress that because I think many people think that the only possible answer to your question is that it would upset the Soviet Union. But I think it is very important to recognize that there is another reason for it.

Mr. SOLARZ. Which Asian countries would be upset by the decision to sell defensive military weapons to China?

Mr. HOLBROOKE. I think it would be inappropriate for me, Mr. Solarz, to be more specific on that in a public session, but I would be pleased to discuss with you at length, privately, the views of all our Ambassadors in the region as to the impact of this.

Mr. SOLARZ. Did any Asian countries express concern over the decision to sell military equipment to the People's Republic?

Mr. HOLBROOKE. They did not.

Mr. SOLARZ. So, in your judgment none of them are concerned about that.

Mr. HOLBROOKE. There is acceptance and understanding of the policy that we have been discussing today.

Mr. SOLARZ. On the part of all of the Asian countries?

Mr. HOLBROOKE. On the part of all of the Asian countries with whom we have good relations.

Mr. SOLARZ. What about Taiwan?

Mr. HOLBROOKE. The authorities in Taiwan have indicated that they are not pleased with the decision. I might point out that there is nothing we have done with the People's Republic of China that has pleased Taiwan in the last 15 months.

Mr. SOLARZ. Do we have good relations with Taiwan?

Mr. HOLBROOKE. We do not have relations with Taiwan.

Mr. SOLARZ. Well, we have economic relations with Taiwan.

Mr. HOLBROOKE. We do not have government-to-government relations.

Mr. SOLARZ. The Japanese expressed no objection or concern?

Mr. HOLBROOKE. Secretary Brown flew from Shanghai to Tokyo, saw the Prime Minister and Foreign Minister, discussed it with them. There has never been a negative word from Tokyo.

Mr. SOLARZ. What about South Korea?

Mr. HOLBROOKE. I then flew to South Korea from Tokyo and talked to President Choi and other officials; the same reaction. In that case even more significant, given the long history of concern in Seoul toward China.

Mr. SOLARZ. Thailand?

Mr. HOLBROOKE. No problem, on the contrary. I have visited all five ASEAN countries, spoken to the leaders of all five. The Prime Minister of Australia and the Deputy Prime Minister of New Zealand have been here, we have had direct discussions with all of them.

MILITARY WEAPONS

Mr. SOLARZ. Now, in those discussions, did you raise the question of how they feel about the sale of military weapons, as distinguished from military equipment?

Mr. HOLBROOKE. It invariably came up, whether we raised it or they raised it.

Mr. SOLARZ. Well, without naming the countries—which you seem unwilling to do in public session—can you indicate to us what was the nature of the concern which was expressed?

Mr. HOLBROOKE. I think it varies from country to country, Mr. Solarz.

Mr. SOLARZ. In other words, it was more than one country that expressed concern?

Mr. HOLBROOKE. I think it was a very widespread feeling on the part of other countries in the region, but it would be highly inappropriate for me to specify individual views.

Mr. SOLARZ. I will not ask you to do that in public session. But, could you characterize in general terms the nature of the concerns that were expressed about the sale of military weapons to China, without identifying the countries?

Mr. HOLBROOKE. I think that individual countries approach the issue differently, based on historic, geographic, and strategic relationships with China.

ASIA'S OBJECTIONS

Mr. SOLARZ. Give us a sample of some of the objections or concerns.

Mr. HOLBROOKE. Some countries are concerned that China might be able to transfer military equipment to other countries and cause additional pressure on them. Some countries have a more general concern. Some countries, to the extent that countries have been engaged in the past in direct problems with China, those countries would also have expressed a special concern.

Mr. WOLFF. We will have to recess for a vote. We will be back within 5 or 7 minutes.

[Whereupon, a recess was taken.]

Mr. WOLFF. The subcommittee will resume.

Mr. Solarz.

Mr. SOLARZ. Thank you, Mr. Chairman.

Mr. Secretary, you had indicated before the recess that there were a number of unspecified Asian countries that expressed concerns about the sale of military weapons to China, but which raised, presumably, no objections to the sale of military equipment.

Did these countries support the sale of military equipment to China? I mean, did they think that it would serve useful purposes and create a more stable situation, or were they simply refraining from raising objection?

Mr. HOLBROOKE. I think there is a range from those who actively supported it to those who showed no objections and indicated that they saw no problem with it. Nobody opposed the decision when we consulted.

Mr. SOLARZ. Which countries supported it?

Mr. HOLBROOKE. Again, Mr. Solarz, I would prefer to reserve for executive session the detailed statements of how individual countries reacted. It was not a series of formal consultations in which they took formal positions; but it was stressed that there was no opposition to the policy, and widespread understanding of it.

NATIONAL INTEREST

Mr. SOLARZ. Now, if selling military weapons to China would be a source of real concern to our Asian allies, and if presumably we believed that the sale of military weapons to China at this time would not be in our national interest, will you try to explain once again why you believe it is in our national interest to sell them military equipment, as distinguished from military weapons? Why does this create more stable conditions in the region?

In what specific ways is it in our national interest to sell them the kind of military equipment that is listed here?

Mr. HOLBROOKE. Let me go back to a sentence which has become almost a cliche, a statement about United States-Chinese relations, by now—a stable, secure, friendly China is in our view in the interest of stability in the region and the world, and in American interests.

I would also refer you to the Vice President's speech at Peking University in August of last year, where he amplified that. In the circumstances that prevailed in December and January, this action that we are discussing today seemed to be an appropriate step in the relationship.

Mr. SOLARZ. Have the Chinese, prior to our making this decision, expressed an interest in being able to obtain military equipment?

Mr. HOLBROOKE. They have not made the distinction between equipment and weapons that we made during the trip.

NO SPECIFIC REQUESTS

Mr. SOLARZ. They had expressed their interest in weapons as well, then?

Mr. HOLBROOKE. They did not specifically ask for weapons from us because we have stated publicly repeatedly that we did not intend to sell weapons.

Mr. SOLARZ. Well, if they did not make a distinction between equipment and weapons, and they did not ask for weapons, that means they did not ask for equipment, either.

Mr. HOLBROOKE. That is correct. But we knew from their discussions with the Europeans that they were interested in modernizing their defense establishment with outside assistance.

Mr. SOLARZ. Do we have any projections as to how much equipment we expect them to buy in the next year or so?

Mr. HOLBROOKE. We have no idea at all. I would like to say that my guess is, it is going to be much less than most people in this room now think it will be.

Mr. SOLARZ. Is there any military equipment which they might want to get from us which they cannot get from other countries in comparable amounts or quality?

Mr. DINNEEN. I think that most of the equipment that we may consider on a case-by-case basis on this munitions control list probably could be acquired from other countries. I think our equipment is superior in most cases; it probably is more reliable and we have a much more well-developed base.

Mr. SOLARZ. Are there any other countries to whom this distinction between our willingness to sell military equipment but not military weapons is applicable, in terms of our arms control policy?

Mr. HOLBROOKE. I would defer to Mr. Robinson.

Mr. ROBINSON. I would say not with this precision.

Mr. SOLARZ. What kind of precision?

Mr. ROBINSON. Well, as foreign policy interests change, we change what we want to supply and what we do not. But we do not have any list, specified for any country.

UNITED STATES SALES TO COMMUNIST COUNTRIES

Mr. SOLARZ. Let us look at some of the Communist countries. Are there any Communist countries in Eastern Europe or elsewhere in the world to whom we sell weapons?

Mr. ROBINSON. No, sir.

Mr. SOLARZ. What about Yugoslavia?

Mr. ROBINSON. Yes.

Mr. SOLARZ. So, the "no" is the "yes" and the "yes" is the "no"?

Mr. ROBINSON. Well, we sell to Yugoslavia, but we do not sell to Romania, Bulgaria, and so forth.

Mr. SOLARZ. We do sell weapons to Yugoslavia?

Mr. ROBINSON. That is correct.

Mr. SOLARZ. And Yugoslavia is a Communist country.

Mr. ROBINSON. Yes.

Mr. SOLARZ. There is no other Communist country that we sell weapons to?

Mr. ROBINSON. No, sir.

Mr. SOLARZ. Are there any Communist countries that have asked us for weapons, besides Yugoslavia?

Mr. ROBINSON. I cannot speak for the countries themselves. United States industry applicants have made applications on their behalf, and we have told them, no.

Mr. SOLARZ. Are there any Communist countries to whom we sell military equipment that does not reach the definition of "weapons"?

Mr. ROBINSON. Not munitions list items.

Mr. SOLARZ. East Germany?

Mr. ROBINSON. No.

Mr. SOLARZ. No other Communist country?

Mr. ROBINSON. No.

Mr. SOLARZ. So, this is the only Communist country to whom we are selling military equipment, other than Yugoslavia.

Mr. ROBINSON. That is correct.

Mr. SOLARZ. Now, why do we make this distinction for China and not, say, for Romania?

Mr. HOLBROOKE. I think the circumstances of the relationship are significantly different.

Mr. SOLARZ. In what way? China is a country of 1 billion, Romania is a small country. Romania is in Eastern Europe, and China is in Asia. [Laughter.]

I mean, surely, Mr. Secretary, you can do better than that, otherwise you would be here and I would be there.

Mr. HOLBROOKE. I thought, Mr. Solarz, you were going to answer the question. I was just going to wait. [Laughter.]

JUSTIFYING DECISION

Mr. SOLARZ. Seriously, what is it about China that justifies the decision to give them military equipment?

Mr. HOLBROOKE. The relationship between the two countries, the United States and Romania and the United States and China is significantly different. Second, the Chinese relationship with the Soviet Union and the Romanian relationship with the Soviet Union—although they are both neighbors—is significantly different.

But I must say very frankly, that since I have nothing to do with United States-Romanian policy and never in my life have worked on it, I am not the appropriate person to ask for a comparison. I can speak to United States-Chinese policy and relations.

Mr. SOLARZ. What opinion, if any, did India express about this policy?

Mr. HOLBROOKE. Once again, Mr. Solarz, I would prefer not to go into specifics, but I would say that this was discussed extensively during Mr. Clifford's trip to New Delhi.

Mr. SOLARZ. Do you believe that this has resulted in an improvement in American-Chinese relations?

Mr. HOLBROOKE. This policy decision?

Mr. SOLARZ. I mean, what was the reaction of the Chinese?

Mr. HOLBROOKE. I would rather answer you by talking about the effect of Secretary Brown's trip, of which this was one of about four or five major items, if that is all right with you.

I believe that the effect of Secretary Brown's trip was that the Chinese and the United States mutually understand that we have entered into a new, what I called earlier in response to Mr. Mica, third phase of our relationship, where we can have broad discussions of issues of mutual concern. I think this was an important part of that development.

Mr. SOLARZ. Has this new decision and policy created any expectations on the part of Peking that we might soon be willing to sell them weapons as well as equipment?

Mr. HOLBROOKE. There is no reason for them to draw that conclusion. There is nothing that we have said to them that would lead them to conclude that we are going to cross that bridge.

U.S.S.R. RESPONSE

Mr. SOLARZ. I believe the chairman asked you, but I have to confess, I do not recall the answer, what the specific reaction of the Russians was to this decision. Have they registered any complaints?

Mr. HOLBROOKE. The Soviet Union has treated the decision in the context of their basic attitude toward Sino-American relations, which is extreme concern and annoyance at the improving relations.

Mr. SOLARZ. Well, did they say anything specifically about this decision?

Mr. HOLBROOKE. I am not aware of any specifics that they have communicated, but I want to stress that I am not necessarily privy to all communications at the highest level between our two countries.

Mr. SOLARZ. Finally, have we ever sold military equipment listed on Newsletter 81 to the Soviet Union?

Mr. HOLBROOKE. No.

Mr. SOLARZ. Thank you very much.

PAST SALES TO PEOPLE'S REPUBLIC OF CHINA

Mr. WOLFF. Thank you, Mr. Solarz.

I wonder if Mr. Dinneen, Mr. Robinson, or Mr. Platt, can tell me about any equipment that we have sold to the Chinese in the past; components or the like. Have we sold any equipment to the Chinese prior to this time in the way of either equipment itself, or components, that appear on this list?

Mr. ROBINSON. We have not sold them anything that appears on this list. The only munitions list items that have been sold to the People's Republic of China are inertial navigation systems for the commercial Boeing 707; those were the only items that have ever been sold.

Mr. WOLFF. Do you all agree?

Mr. DINNEEN. That is correct.

Mr. WOLFF. Now, on items that are not on the munitions list, high technology items, I take it that we have sold them, electronic chips; have we not?

Mr. DINNEEN. I believe there have been sales of some electronic chips, commercially available chips, modest-size chips.

Mr. WOLFF. Would you be involved at all in this, in the event that they went for more advanced chips?

Mr. DINNEEN. Yes; they would come to the Department. The request, which is a commercial item, would go to the Commerce Department. It would then come to the Department of Defense for review. If it were part of a piece of military equipment or support equipment, would go to the State Department and then to the Department of Defense. So, we would be in the review process.

SELLING COMPUTER WARES

Mr. WOLFF. Now, what about computers?

Mr. DINNEEN. The same thing holds true for computers.

Mr. WOLFF. Do you happen to know what the highest-speed computer is that the Chinese have today?

Mr. DINNEEN. I could not give you the specific number. But they have purchased some relatively modern computers.

Mr. WOLFF. They have attempted to purchase a high-speed computer from us and, I believe, it was turned down, some time ago.

Mr. HOLBROOKE. They wanted the 174, which was turned down. They have a 172 from Control Data Corp.

Mr. WOLFF. We were told when we were in China in January that they no longer wanted the 174, they had advanced their own technology to a point where they wanted a million-bit or a billion-bit computer. I do not know the difference.

Mr. DINNEEN. Probably a million bits, I would think. A billion bits is a little beyond us.

Mr. HOLBROOKE. Mr. Chairman, we should start by understanding the very basic fact that the Chinese, understandably, want state of the art, or as close to state of the art as possible in any field of technology, and above all in this field, which is the single most important.

SECOND CHINESE LESSON

Mr. WOLFF. What would be the effect, Mr. Holbrooke, of a second "Chinese lesson" on this type of a sale?

Mr. HOLBROOKE. Well, that is an impossible question for me to answer, it involves too many hypotheses strung together. For example, we do not see such a lesson—and I assume you are referring to the lesson the Chinese attempted to teach the Vietnamese.

Mr. WOLFF. You know that I am not at the moment enamored of the Vietnamese or their policies on a number of things; but by the same token, we have taken a position against the Russians based upon their invasion of Afghanistan. It is a violation of the territorial integrity of another nation.

Now, what would happen—and we have heard about the "second lesson"—what is the procedure for the United States in the event of a second invasion of Vietnam? Would we hold the same position with them as we hold with the Russians?

Mr. HOLBROOKE. Well, I think there are two different questions here. We have stated that we have opposed the first lesson, the first Chinese attack on the Vietnamese; we did so privately and publicly before and after the event. We have stated that we do not believe a "second lesson," as you termed it, would be a contribution to stability in the region, and we have also stated that we would oppose it.

However, the linkage that you are now talking about is one that I simply cannot make. There are many different scenarios which could lead to another direct confrontation by arms between China and Vietnam. Without knowing the direct circumstances, I cannot predict the exact U.S. response, and I think it would be inappropriate.

But I would like to add one thing, Mr. Chairman, since you have raised an important issue: We do not see any evidence that such an event is imminent.

PHASES OF POLICY

Mr. WOLFF. You talked about that we entered the third phase. Do we have any idea how many phases there are?

Mr. HOLBROOKE. Well, the third phase, as we publicly defined it repeatedly, is the relationship in the 1980's. This is a relationship in the 1980's in which we hope that the United States and China will find an increasing number of commonly held objectives, and we will be able to move forward toward those objectives.

Mr. WOLFF. Is there a fourth phase, other than you have outlined already?

Mr. HOLBROOKE. Not in our own thinking at this time. It is the historians who resurrect and redefine the phases later.

Mr. WOLFF. But you are not a historian by nature, I mean, after all, you are an "architect of policy."

Mr. HOLBROOKE. Thank you, Mr. Chairman. Dr. Dinneen is the engineer, Dr. Brzezinski is the architect.

Mr. WOLFF. I thought you were the engineer and he was the mastermind. [Laughter.]

CHINA'S FUTURE ROLE

Mr. HOLBROOKE. The phases that I have delineated, are self-evident from the process that we have been undertaking. The third phase is a speculative phase. Maybe a few years from now we will look back and say, "Well, we never really developed that third phase into a Sino-American dialog which was meaningful;" or maybe we will look back and say, "Yes, indeed, Secretary Brown's trip, following the Vice President's trip did begin a process of a dialog between the United States and China beyond our bilateral relations which really made a difference and contributed to world stability." I cannot say. All I can say is, the first phase is defined and over; the second phase is defined and 90 percent over—I have listed the four things that remain, maritime, civil aviation, textiles and consular—and that really is it in the second phase. The third phase is really the beginning of a testing of what China's role in the world will be, and what impact this will have on U.S. policy.

We have asserted a broad hope for what China's role in the world will be in the decade that began, quite symbolically, in the first week of the decade with Secretary Brown's visit. Only time will tell. We

are optimistic about it on the basis of Secretary Brown's trip and the followup trip to Washington week before last, in which you and your committee played an important role, of the Chinese Vice Foreign Minister. We will be continuing the kinds of exchanges which his trip began, by formal agreement with the Chinese. The next trip we plan is the Director of Politico-Military Affairs, Reg Bartholomew, who will go to China in May. Then, sometime in the middle of the year Secretary Brown will host a return visit here by Vice Premier Geng Biao, and there will be additional trips back and forth between China and Washington, some at the highest levels like the trips between Secretary Brown and Geng Biao; some at subcabinet levels like the trip by Reg Bartholomew. That process, I believe, will have its effect. All of us have participated in Vice Premier Deng's trip, on both sides, and recognized that the level of exchange of views—and I assume that was also evident to you and your colleagues—was significantly improved over the previous dialog. It was more candid. There were less set-pace statements on both sides, we are beginning to know each other.

MUTUAL VALUE

These discussions have a tremendous mutual value. I am talking here not just about discussions on bilateral relations, but discussions about Afghanistan; the general crisis in Southwest Asia, and European, East Asian, and African and Middle Eastern issues.

COMMON DEFENSE

Mr. WOLFF. One aspect of this, Mr. Secretary—and again, I hope I am not misinterpreted, but one aspect of this troubles me, which is the fact that in a change of policy such as this, we do not have any assurances in the other areas. Can you tell us about any assurances that we may have in the way of common defense of places like Pakistan, the situation in Afghanistan? I know that is not part of your particular bureau, but by the same token, in talking with the Chinese, quite obviously the discusion did come up as to their response to the Soviet intrusion into Afghanistan and the possible intrusion into Pakistan. Did you receive any assurances, other than the idea of materiel in the way of support from the Chinese, Mr. Platt?

Mr. HOLBROOKE. We did not seek assurances, Mr. Chairman.

Mr. WOLFF. Mr. Holbrooke, I asked the question of Mr. Platt. It was indicated that Mr. Platt could answer the question.

Mr. HOLBROOKE. I am sorry, Mr. Chairman.

Mr. PLATT.[1] Thank you, Mr. Chairman. We did not seek any particular assurances on these scores, nor did we receive any.

Mr. WOLFF. Is there a reason why we did not seek assurances? After all, if we are engaged in a common defense of an ally and a friend, Afghanistan, would not it be logical to say to the Chinese, "Well, what are you prepared to do?" I know that we as a committee could not get any real answers, but we as a committee asked. Would it not be a logical assumption to believe that you or your people would ask, "What would happen if the Russians invaded Pakistan; what are you pre-

[1] Nicholas Platt, Deputy Assistant Secretary of Defense for East Asia and the Pacific.

pared to do?" What are the Chinese prepared to do, or was that a question that you folks did not ask?

FRIENDS NOT ALLIES

Mr. HOLBROOKE. The Chinese, Mr. Chairman, the Chinese and the United States are not allies, they are friends. We are not in an alliance relationship with them.

But we have discussed these questions with them, and they have made the same kind of general statement to us that they made to you. We have not pressed them for assurances on Pakistan because that is an issue between the Pakistanis and the Chinese.

Mr. WOLFF. But you have been pressing—you and the Defense Department—have been pressing the United States and the Congress, up until recently, for assistance to Pakistan. Now, you have asked for this because we feel there is a serious threat. Now, if there is a serious threat, then you also speak not only to allies, but to friends saying, "What are you going to do about this?"

Mr. HOLBROOKE. That is correct, and I consider that part of the discussion among the most important that we have had with the Chinese.

Mr. WOLFF. And do you feel confident that they will respond in a fashion that will be of material consequence?

Mr. HOLBROOKE. I think the record shows very clearly that Pakistan has received more aid from China than any other source over the last 5 years, by a very large margin.

ASSISTING PAKISTAN

Mr. WOLFF. Mr. Secretary—and I do not mean to take the time of Mr. Guyer, Mr. Guyer can have all the time that he desires—but this is a serious question that I have. The point being, so far as Pakistan is concerned, that Pakistan certainly cannot contain a major thrust of the Russians just with materiel, they need manpower. We, according to our informal agreements with Pakistan, have said that we would in some fashion furnish the manpower that would be necessary to contain a Soviet thrust.

Why is it not conceivable for us to ask the Chinese, "Are you going to supply manpower, or are you just going to give them materiel?"

Mr. HOLBROOKE. We have discussed these matters in various degrees of specificity with the Chinese, Mr. Chairman. I do not think it would be appropriate to go beyond the general statements Mr. Platt and I have already made.

Mr. WOLFF. Can you supply that for us in a classified fashion?

Mr. HOLBROOKE. I will be happy to discuss it further with you in a descriptive form, the exact exchange between our two governments on this issue over the past months. I want to stress to you, we not only understand the importance of your question, but we share your interests and concerns here. I believe the Chinese do, too.

MUTUAL UNDERSTANDING

I want to stress again that when I talked about this third phase I stressed that it began with Secretary Brown's trip—that was only 12

weeks ago. That is a very short time in the history of a relationship which has had the tortured past that the Chinese-American one has. I have talked about future trips. We have every reason to believe that each of these exchanges—our trips to China, their trips here—are resulting in a greater degree of mutual understanding on both sides. That mutual understanding, that is not just rhetoric, that leads directly to greater effectiveness in such specified areas as the one you have mentioned.

KOREA

Mr. WOLFF. In my final question I am going to depart a little bit from this because of recent events in Korea. Was there any discussion with the Chinese relative to Korea?

Mr. PLATT. Normally, we have talked about Korea whenever we had global consultations, or consultations on the Asian scene with the Chinese. In the course of the Brown trip, the subject did come up. Are you more interested in the recent context, or just the Brown trip itself?

Mr. WOLFF. I am interested in the overall situation. There have been a number of recent intrusions, I believe, by the North Koreans, which seemed to be contrary to what we as a committee were told when we were in China. Then they said they felt the North Koreans were not attempting to take advantage of the political situation in South Korea.

Mr. PLATT. This is a subject I would be pleased to brief you on in closed session.

Mr. WOLFF. Thank you. Mr. Guyer?

Mr. HOLBROOKE. May I just say, Mr. Chairman and Mr. Guyer, on the question about Korean actions, I would urge you to avail yourself of Mr. Platt's offer since it is an interesting issue. But I would like to say in public that we considered, and still consider, the north-south talks that began since you were last in the region, as a potentially promising event. We find the incidents in the DMZ inconsistent with an interpretation of those talks as a sincere effort by the North Koreans.

BURDEN ON NORTH KOREA

So, it is our view that the burden is really on the North Koreans, after these four incidents, to demonstrate their sincerity. I want to stress that point. We find it hard to reconcile these incidents with the interpretation of the efforts as sincere. On the other hand, the situation is significantly different in Northeast Asia today than it has been in the past, and we do not want to preclude the possibility that there is something meaningful here. So, we will watch the next few days and weeks with particular attention in both the Defense Department and the State Department.

Mr. WOLFF. Thank you. Mr. Guyer?

PURCHASING ELSEWHERE

Mr. GUYER. Thank you, Mr. Chairman.

Mr. Secretary, I have no pointed questions. I was looking over the categories. I do see many items which some years ago were almost concomitant with some of the items we were selling to the Soviet Union,

to start with; and then they progressed to more highly technical items which later became conversionary.

I do not suppose any of these items, particularly since they are beneath the sophisticated level of computers, are lethally inspired.

I am curious, No. 1, could the Chinese buy most of these things somewhere else?

Mr. HOLBROOKE. Mr. Guyer, first let me stress that there is nothing on this list we have ever sold the Soviet Union.

Mr. GUYER. Perhaps not, but we led up to some items which now are being very highly objected to, as you know.

Mr. HOLBROOKE. That is the important distinction between dual-use technology, such as a computer which could be used either for anti-submarine warfare or for seismic exploration.

Mr. GUYER. Well, innocent things like television sets are now being used in airplanes and submarines.

Mr. HOLBROOKE. That is another example of dual use, but the items on this list are not really dual use. You could find civilian uses for some of these things, but you will note, for example the first item, category VII, trucks, trailers, hoists and skids specifically designed for carrying and handling the articles in paragraph (a) of categories III and IV. That does not mean just trucks, that means trucks designed for military use.

Mr. GUYER. Yes.

Mr. HOLBROOKE. That is an important distinction.

Mr. GUYER. Well, you also get into helicopters and certain types of aircraft, supportive replacement items, and so on. I am not worried, but it is not exactly a garage sale but I am curious as to how many of these things they can buy some place else. Most of them, I imagine, they could.

Mr. DINNEEN. I think that most of the items, Mr. Guyer, could be purchased primarily from the Western European countries.

Mr. GUYER. What little I know about the Chinese capability, when the chairman and I were there, they were very uptight about the one computer and they made it very clear that, "We do not need you now." They got it somewhere else.

I have a feeling that China because of the catch up position they are in economically, would rather buy things than try to produce them. That even goes for conventional items. For example, most all the cars driven in China are bought outside the country. As I recall, we rode in Russian airplanes in China; is that not right?

Mr. WOLFF. I do not think the gentleman is entirely correct in that. I think it was Russian designed, but locally manufactured.

Mr. DINNEEN. That is correct.

Mr. GUYER. Well, most of the cars, I think, were not manufactured in China. I think they were purchased elsewhere.

At any rate, that could be looked into, it is neither here nor there. This is a benign list, as far as I am concerned. I do not see any venom in this.

SUPPLY LIST

Now, I want to ask a question that might be confidential, I do not know. In the various trips that have been made to the People's Republic of China, I noticed a very strong interest by various groups,

merchandising groups, manufacturing groups and States—including my own State of Ohio, from which our Governor led a delegation over there. Was there not a consortium of manufacturers who helped to put together a list of things they could supply?

Mr. HOLBROOKE. You mean this list?

Mr. GUYER. Any of these items, did they come from any kind of a cartel or consortium?

Mr. HOLBROOKE. This list was developed by a committee which Mr. Dinneen headed, on behalf of Secretary Brown, Secretary Vance, Dr. Brzezinski.

Mr. GUYER. Is there a dollar figure, let us say, for fiscal years 1980 and 1981?

Mr. DINNEEN. It is very difficult to predict. There is a great deal of commercial interest. As you point out, this list is very broad.

Mr. GUYER. Yes; it is, from weather devices to trucks and hoists, and what have you. I am just curious, inasmuch as we are trying to improve our balance of payments with that country because they have been notoriously low in their imports from us, they undoubtedly are trying to step up the activity.

Mr. DINNEEN. You are quite right, Mr. Guyer, there is a good deal of commerical interest. We have had a lot of inquiries from industry, and that is one of the reasons for publishing this list, so that we could give some guidance to our industry as to what types of things we would be willing to consider. There will be some commerical barriers.

Mr. GUYER. I am not fearful of these things coming back to haunt us, although we are becoming victims of many of our own devices, for example, our problems with OPEC countries. It is well established that most of the Persian Gulf countries could not have gotten their oil out of the ground without American equipment.

So, in a measure we do find ourselves sometimes victims of our own ingenuity. But, I personally would like to see the relationship stepped up, and certainly, American manufacturing is hanging on the ropes right now with run-away inflation and unavailable money. Our capital city is full of people, and that is the reason I was not here on time today. The real estate people, the private contractors, homebuilders, and the manufacturers themselves cannot find a dime for investment capital.

So, I am curious what this would contribute to our economic package, which we sorely need to produce—as long as it is not used adversely against us. I do not have any other questions.

ACDA ROLE

Mr. WOLFF. One final question. Was the Arms Control and Disarmament Agency part of the decision on the change of policy?

Mr. HOLBROOKE. Yes; they were, and the Director of the Arms Control and Disarmament Agency, Gen. George Seignous, accompanied us on the trip. It was the first time, indeed, that we opened arms control discussions between the United States and the People's Republic of China.

Mr. WOLFF. Did they have any objections to this?

Mr. HOLBROOKE. No, sir.

Mr. WOLFF. Would any of these sales reduce the availability of sales to any other place in the world because of the limitations that the President has placed upon the sale of arms?

Mr. ROBINSON. No, sir.

Mr. WOLFF. In other words, this would be in addition. So, it would be a change in policy in that direction, in other words, this would increase the sale of arms.

Mr. ROBINSON. They pertain to foreign military sales, and these are commercial sales.

Mr. WOLFF. We thank you, gentlemen, very much for coming up today and bearing with us.

MANUFACTURING CONCERNS

Mr. GUYER. Could I ask in closing, have many American manufacturing concerns been made aware of these potential markets? For example, you may recall that Coca-Cola, to cite one, had their labels printed in Chinese before we recognized China. You may remember that. I am just curious to know whether there may be some manufacturing concerns who are aware of this and maybe are preparing a bid, which is all right.

Mr. DINNEEN. Yes; they are aware.

Mr. GUYER. They are aware of it.

Mr. DINNEEN. This list has been distributed.

Mr. ROBINSON. The list went to well over 1,900 addressees.

Mr. GUYER. Thank you.

Mr. WOLFF. Thank you very much. The committee stands adjourned.

[Whereupon at 4:25 p.m. the subcommittee adjourned, to reconvene at the call of the Chair.]

THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA: ISSUES FOR THE 1980'S

TUESDAY, JULY 22, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS,
Washington, D.C.

The subcommittee met at 2:10 p.m. in room 2200, Rayburn House Office Building, Hon. Lester L. Wolff (chairman of the subcommittee) presiding.

Mr. WOLFF. The subcommittee will come to order. There are a number of measures on the floor today, particularly the State and Justice Department appropriations, which some of my colleagues are very anxious to either put limitations on, or to see that the State Department adhere to the general wishes of the Congress, therefore they are very zealously guarding their positions on the floor, and they should be joining us shortly.

Today, the Subcommittee on Asian and Pacific Affairs is holding the second of a series of hearings on the subject of relations between the United States and the People's Republic of China.

Our purpose is to develop a greater public awareness and understanding of Sino-American relations today: Where they stand 1½ years after normalization; where they are going, and where they should be going if we are to build a strong and enduring relationship with the People's Republic of China.

Moreover, at a time when there is increasing debate over the advisability of military ties with the People's Republic of China, the subcommittee believes it is imperative to examine the Sino-American relationship in the strategic context of our relationship with the Soviet Union. Thus, among the key questions the subcommittee is interested in addressing are:

KEY QUESTIONS

1. Bearing in mind our historic lack of understanding of China and our failure to foresee major shifts in Chinese policy, how clear of an understanding do we have of Peking's intentions toward the United States and the U.S.S.R.?

2. What positive results do we expect our new ties with the People's Republic of China to have on the U.S.S.R.? What sort of reaction can we anticipate from Moscow should the United States-People's Republic of China relationship develop an increasingly military nature?

3. Can we realistically expect the Soviet Union to put aside 20 years of conflict with China and view the Sino-American relationship solely in a bilateral context and not directed against the U.S.S.R.?

5. If China follows its current avowed modernization policy of modernizing first the economy and then the military, will not the People's Republic of China be likely to lag behind the U.S.S.R. for many years to come and, if so, may it not become a more strategic liability than an asset in U.S. competition with the U.S.S.R.?

TRIANGULAR RELATIONSHIP

Of particular interest to the subcommittee will be the views of our witnesses on the validity of the triangular relationship as a framework for the conduct of relations with China and the Soviet Union.

In addition to its consideration of the strategic implications of the United States-People's Republic of China relationship, in subsequent hearings the subcommittee intends to examine the bilateral relationship in a regional Asian-Pacific context and to address questions related to prospects for political stability and economic modernization within the People's Republic of China.

Our objective is not to advocate one policy as opposed to another—my views on the development of our relationship with the People's Republic of China are a matter of public record. However, our objective is to focus public attention and debate on issues which will significantly affect the diplomatic security interests of the United States in the decade ahead.

The subsequent hearing dates are scheduled on August 26, September 9 and 17 as a follow-on to this meeting.

With these thoughts in mind, we welcome today's witnesses, Mr. A. Doak Barnett, senior fellow at the Brookings Institution, a "perpetual" witness here when it comes to China and other areas of interest in Asia.

Mr. Allen Whiting, professor of Chinese Studies at the University of Michigan, and shortly joining us will be Mr. Michael Pillsbury of the Senate Republican Policy Steering Committee.

Gentlemen, if you would like to summarize your statements, the entire statements, without objection, will be included in the record. Mr. Barnett, will you please proceed?

STATEMENT OF A. DOAK BARNETT, SENIOR FELLOW, BROOKINGS INSTITUTION

Mr. BARNETT. Mr. Chairman, I am pleased and honored to testify—again—before your committee. I apologize that I was not able to prepare a written statement. I am working under great pressure to complete a very long book. The staff asked me to open with some oral comments, which I will do. I will try to be brief. The subject is a complicated and important one, however, so if I could have a few minutes more, perhaps 3 or 4 minutes more, than those who just have to summarize a paper, I would be grateful.

I would like to start with some very general comments about United States-China relations at this stage. As you said, it has been only 1½ years since we normalized formal diplomatic relations. I think that, in general, what has been accomplished in this brief period has been extremely encouraging, gratifying, and significant.

SOUND BASIS FOR RELATIONS

We have established the beginnings of a sound basis for friendly political relations with the People's Republic and, at the same time, have continued a reasonable, nonofficial relationship with Taiwan.

We have rapidly expanded educational, cultural, scientific, and technical contacts between our two countries and begun cooperation in many of these fields in a rather remarkable way. It is noteworthy that the United States now has more Chinese scholars and students studying and working here than any other country has at the present time.

We have established the essential legal framework for a significant long-term economic relationship with China, and our trade has been growing, although I will immediately say that it is still relatively small and is still seriously imbalanced in the sense that the Chinese buy much more from us than we buy from them. Moreover, it is nowhere near the level that Japan has established, and it is not close to what the actual potential is, in my opinion.

All of this has developed more rapidly and smoothly than anyone had a right to expect, or than most people did expect. I think that this has been due, in part, certainly, to the very important changes that have taken place in this period in China, where a pragmatic leadership has initiated a series of new policies, outlined an ambitious modernization program, and has turned outward to a greater extent I would argue, joining the world economically, than at any time since 1949.

I believe that the development of United States-China relations in this period had tended to support and reinforce these pragmatic and moderate trends in Chinese policy.

However, we should not exaggerate what we have accomplished, even in the fields that I have been talking about, in consolidating the basis for a dependable, lasting political-economic relationship. In a great many fields we have just made a start. We already have made a lot of promises, and it is going to take years to carry them out effectively. There are now more than a dozen U.S. agencies, Government agencies, that have begun cooperative programs with the Chinese in a wide variety of fields—health, education, energy, agriculture, communication, and others but all of them have just started and barely gotten off the ground.

The U.S. Government has promised $2 billion worth of Eximbank credits to China; and it has promised that we will give OPIC guarantees for investments in China, but we have not yet delivered on these promises; there are no funds available.

The American business community has begun to explore important possibilities for large-scale cooperative ventures with the Chinese—for example in oil, and in some other fields. However relatively few of these have as yet crystallized and been consummated.

MUTUAL BENEFITS

The main task in United States-China relations in the period ahead is to follow through in these fields, to strengthen our political and economic relationships and put these relationships on a lasting basis. In my opinion the main emphasis should be on economic, educational,

scientific and technical, and cultural programs. These clearly are of mutual benefit to our two countries. They will support Chinese modernization, which will contribute to moderation and stability within China. They will benefit the United States economically. And I believe that they will serve our broader interests, including our security interests.

Success in these fields is not automatic. We still have to apply a lot more intelligence to insure that we are effective in these fields. We have to take a long-range view, and we still have to make some hard decisions even to follow through on promises that we already have made.

Specifically, let me mention a few things that I think we have to do. We have to provide more financing and credit to back up our economic relationship, to support China's modernization and to increase United States-China trade, through Eximbank, through American private banks, and through the IMF and World Bank. We have not yet produced on any of these. Japan and Western Europe have provided, or offered, very large amounts of credit to the Chinese. The United States really is not in the game as yet.

PROTECTIONIST IMPULSES

We will also need—and this may be one of the toughest things to do—to avoid protectionist impulses. We have to buy more low-cost, labor-intensive Chinese goods, including textiles, and many such goods. I am the first to recognize all the problems that this involves. It is politically and economically very difficult for the United States. However, it is very doubtful that we will, over time, be able to create and sustain an important long-term economic relationship with China unless we are able to face up to some hard decisions in this field.

We are on the verge, as I understand it, of a textile agreement of some sort. I do not think it is going to be the kind that will solve the problem, it will impose severe restrictions on the Chinese.

We also need to broaden and diversify U.S. exports to China. They have been mainly agricultural so far. Industrial exports are growing. But we need to be a serious participant in the major trade which is going to take place, and is beginning to take place, in manufactured goods, particularly in plants and technology to help build China's infrastructure and develop key economic fields in China. In doing this, we could profit by learning from the Japanese and emulating them in many respects.

We need a lot more knowledge and expertise about the Chinese economy, and about how to deal with it effectively, as the Japanese do.

We need increasing cooperation between the U.S. Government, U.S. business, and knowledgeable academic specialists on how best to go about developing lasting economic relations. We need to take a long-range view, as I think the Japanese and some Europeans do. Very few Americans look at economic cooperation in this way.

COOPERATION ON FOOD AND AGRICULTURE

I would say we need to put special emphasis on cooperation in two fields. One is food and agriculture, and the other is energy. They both are fields in which there is a tremendous potential for extensive, mu-

tually beneficial cooperation between our two countries. It would be of enormous benefit to the United States, as well as to China, if this could be developed, and it would have significance for some key global problems.

I have not mentioned the words "security" or "military relations" so far, and this has been deliberate. In my view, creating strong political and economic relationships between our two countries is the best way to serve our mutual security interests at the present time. Moving from economic-political relationships to overt military relationships will not necessarily serve the interests, including the security interests, of either country in the period immediately ahead, in my view.

The United States and China obviously do have important security interests that are parallel, and we have recognized these. They include a common interest in restraining and counterbalancing military moves by the Soviet Union, or by countries allied with the Soviet Union, such as Vietnam, which can have destabilizing effects in East Asia.

But we also still have a good many differences in our interests, and differences in approaches to a range of problems—problems in Korea; problems in Southeast Asia, and I would say even the basic issue of how best to deal with the problems that the Soviet Union poses for both of us. We cannot ignore these. Moreover, it is not in the United States interest to take action, or encourage others to take action, that may increase tensions and have destabilizing effects in East Asia.

MILITARY RELATIONSHIP

In the present, very complicated situation in Asia, developing a real military relationship with China, which goes beyond the kinds of contracts we now have in the military field or present policy regarding the sale of some kinds of dual technology that might have long-range military utility, would tend—in my view—to risk raising tensions and be regionally destabilizing for several reasons.

Moves in this direction would risk creating, at the least, uneasiness, and perhaps over time serious anxieties and doubts, in Japan and in a number of smaller Asian allies and friends. If carried very far, they could induce Japan and others to reexamine their policies. It could have adverse effects on our relations with them, and, at worst, it could alter the present patterns of relationships in the area, almost certainly for the worse.

I would also argue that it would not necessarily result in stronger United States-China relationships over the long run. I believe that, actually, China is ambivalent about the possibilities of United States-Chinese military relationships. For understandable reasons the Chinese would like to obtain technical help in modernizing their defense forces, but they do not, in my judgment, want an alliance-type of relationship that involves major reciprocal obligations.

They also, in my view, are wary of being manipulated by the United States. Chinese leaders are on record as saying to American leaders that we should not "stand on their shoulders" to attack the Soviet Union.

MISPERCEPTIONS

There are several kinds of possible misperceptions and miscalculations that one must be concerned about in thinking about the possi-

bility of military relations between our two countries. I think there is a danger that the United States might arouse unrealistic Chinese expectations about the possible level of support in the event of crises involving it. Or there is a possibility that we might encourage the Chinese—tacitly if not otherwise—to believe that actions they might take, of which we really disapprove, would be ones for which, somehow, we would give certain types of support. If that were true, and we did not give such support, the outcome could be very unfortunate for all concerned.

There also is a danger that some in the United States will have unrealistic expectations about China's real security potential, or potential military value to U.S. interests, in future crisis situations. In purely military terms China will remain relatively weak for a long time. Limited military assistance to China will not change that any time soon. We should not expect the Chinese to take military risks on our behalf from their position of weakness. They are not likely to do so.

There could be some risk, nevertheless, that if the Chinese were to initiate certain military actions that they felt were necessary based on their perception of their interests, and we thought they were unwise but we had a military relationship, there might be pressures for us to be involved, even if we did not wish to be.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA-U.S.S.R. RELATIONS

Most important of all, the dynamics of the United States-China-Soviet relationship today are extremely complex, delicate, and sensitive. Although both we and the Chinese wish to counterbalance and restrain Soviet power, our judgments and perspectives on how best to try to do this are not identical.

It is not in the U.S. interest, in my judgment, to try to deter and balance the Soviet Union in East Asia by taking actions that clearly will feed Soviet paranoia, and could stimulate an even greater Soviet military buildup in the region and might provoke Moscow into taking even more active counteractions than it has in the last couple of years—and I think Moscow already has reacted to our developing China relationship—and that conceivably could close and lock the door for years against the possibility of some steps to try to reverse the recent deterioration of United States-Soviet relations.

Developing an overt U.S. military relationship with China at the present time, under present circumstances, would risk doing just that. It is less likely, in my opinion, to persuade the Russians to show greater restraint than it is, perhaps, to stimulate them to strengthen their forces in Asia, to consider how they might react more forcefully in areas such as Southeast Asia and conceivably even against China itself.

It is by no means clear, in my mind, therefore, that under present circumstances an expanded United States-China military relationship really would enhance the security of either the United States or China.

The United States obviously should not and cannot be indifferent to China's security concerns. It is vulnerable. We should continue to make it very clear that we believe that all countries, including the Soviet Union, should avoid threats to China. But we should be careful—as the Chinese themselves should be careful—to avoid provoking new threats that neither we nor the Chinese will be adequately prepared to deal with. I think it is necessary to try to defuse potential threats. We need a strong military position, but we also need to try to defuse possible dangers through political, diplomatic, and economic means.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA POLICY

In light of these complicated considerations, what should U.S. policy be? I would like to make the following brief points:

First and most important, as I have said, I believe that we should continue to work hard, and make some of the difficult decisions necessary, and invest some of the resources necessary, to consolidate our political and economic relations with China. We should give high priority to developing a really broad and important economic relationship. However, under existing circumstances, in my judgment, we should not move towards an overt military relationship. Nor should we use the threat of doing so as a "China card" against the Soviet Union, or slide mindlessly in that direction in small incremental steps.

More specifically, I believe that contacts and consultation between the United States and China on security problems, and contacts between United States and Chinese military personnel and leaders such as we have established, are justifiable and desirable. The sale of nonlethal military support equipment is more arguable. We have started it, and it is very difficult to reconsider elements in policy already under way. In my own judgment it would be preferable from the Chinese point as well as our point of view if China obtained most such material from other countries.

I believe that a more flexible policy toward sales of dual technology to China—that is, more flexible than we pursue toward the Soviet Union—is justifiable under existing circumstances. China needs a great deal of technology for its economic modernization. There is not the same risk in selling dual use technology to China as there is in selling such technology to the Soviet Union, where they might be rapidly and directly diverted to military uses that could be threatening to others.

However, I believe that our premise in making such sales should be that we are prepared to make them primarily for assistance to China's economic development and modernization. Where particularly sensitive technology is concerned, that is, technology which clearly has major military implications, I think we should require end-use statements and inspections.

There will be many tough decisions to be made on, a case-by-case basis, in this very fuzzy, gray area, but the guiding principle, I repeat, should be that we should be flexible when we believe the main significance of such sales relates to civilian development, and we should be cautious when it is apparent that the main utility is primarily military-related.

NO ARMS SALES

We should continue, in my view, the present policy of not selling U.S. weapons to China. But we should also continue. I believe, a permissive policy toward the sales to China of defensive conventional arms by West European countries that choose to make them.

Some analysts label this as a "cop-out" and do not see the difference. but in my view there is a difference—a big difference. Western European sales of such military equipment to China are motivated in large part by economic and commercial reasons, and although the Russians will not like them, they will know that they are not a step toward direct Western European involvement, militarily, in crises situations in East Asia.

Direct U.S. weapons sales to China clearly are viewed by Moscow as confirming their worst fears about an emerging hostile alliance directed against them. Their response might well be to try to find ways to take counteractions that I think could raise tensions and the risks and dangers in the region in ways that would create a less rather than a more secure environment.

Present United States-China relations clearly serve the security interests of both the United States and China. Strengthening political and economic relations will improve our ability to deal, individually, in some cases in parallel, in some cases jointly, with problems that the Soviet Union poses, and also to deal with many other problems throughout the region where we have parallel interests. I believe, hopefully, that this will contribute to a more stable equilibrium in the area.

But moving at present towards a military relationship of an overt kind, which Moscow would view as a United States-China, and possibly a United States-China-Japan-European anti-Soviet united front or alliance, would in my view, under existing circumstances, be more likely to have destabilizing than to have stabilizing effects on the region.

Mr. WOLFF. Thank you very much, Mr. Barnett. You said you did not have a prepared statement, but I guess you have been preparing for this for many years.

My reaction is, I am concerned—and I must say this—that our policies toward China and the Soviet Union are one being dictated by the other, rather than a bilateral relationship standing on its own. I feel that there is a much greater concern with the cause-and-effect relationship rather than the direct relationship that exists between our two countries.

I would like to pass now to Professor Whiting.

STATEMENT OF ALLEN S. WHITING, PROFESSOR OF CHINESE STUDIES, UNIVERSITY OF MICHIGAN

Mr. WHITING. Mr. Chairman and distinguished members of the subcommittee, it is a privilege to address the question of Sino-American relations at this particular time. I would like to summarize my paper in a few minutes of opening remarks.

Thirty years after Chinese and Americans fought their first major war in the Korean Peninsula, Peking and Washington have finally established full diplomatic relations, thanks to the courageous and cor-

rect steps taken by Presidents Nixon and Carter. The United States has also at long last ended its formal intervention in the Chinese civil war by terminating its Treaty of Mutual Defense with the Republic of China. Sino-American trade is surpassing the most optimistic forecasts, with 1,000 Chinese students and scholars in American universities to advance China's scientific and technological modernization.

STRATEGIC PARTNERSHIP

However, the next stage in Sino-American relations raises new questions and problems. I think we have solved most of the immediate issues between our two countries. Now, the possibility arises of entering into a strategic partnership. This prospect was raised by Vice President Mondale speaking on Chinese media at Beijing University in August 1979. In his words, "The fundamental challenges we face are to build concrete political ties in the context of mutual security." Mutual security implies an alliance relationship. More recently, Assistant Secretary of State for East Asian Affairs, Richard Holbrooke, declared, "A China confident in its ability to defend its borders against foreign aggression enhances stability in the Pacific and on the Eurasian landmass, and therefore contributes to our own security and that of our allies."

In pursuit of this goal, Mr. Holbrooke declared, "We can and we will assist China's drive to improve its security by permitting appropriate technology transfer, including the sale of carefully selected items of dual-use technology and defensive military support equipment." While repeating previous administration policy against the sale of arms to China, he implied that this was subject to change by noting that "the current international situation does not justify our doing so."

The Mondale and Holbrooke speeches signal an impending Sino-American military entente directed against the Soviet Union, at least as seen from the vantage point of Moscow. While Holbrooke asserted that "relations with China are not a simple function of our relations with the Soviet Union," he warned that "the pace of their advance has been and will continue to be influenced by changes in the international environment"—a clear hint of the triangular fix on policy which he elsewhere tried to deny.

These propositions deserve careful scrutiny. China's military modernization is a massive undertaking. It will require the total reequipping of the air force which is wholly obsolete, and the complete overhaul of the ground forces where capabilities are sadly deficient compared with those of the Soviet Union. It will also require the retraining and upgrading of human skills involved in the management and maintenance of the vast People's Liberation Army. Only through this gargantuan effort can China feel truly confident "in its ability to defend its borders against foreign aggression."

But more than feasibility forces us to ask hard questions concerning our military relations with the People's Republic. The political consequences must also be weighed.

PEOPLE'S REPUBLIC OF CHINA FOREIGN POLICY

What is our confidence in predicting future Chinese foreign policy? What are the prospects in the 1990's when Beijing's modernization program should begin to bear fruit? Does the past provide precedent

for prediction, or is this a watershed period for the People's Republic and its interaction with the world? How do we envisage our longrun policy with Moscow? Is it one of maximizing the force available to deter Soviet aggression, and should deterrence fail, to win World War III? Or do we have a mixed strategy of selective confrontation and cooperation in hopes of stabilizing the relationship and reducing the risk of war?

I would like to simply summarize the points that are extended in my written testimony. One, there are important differences in the way in which Beijing and Washington define their relations with Moscow. China sees the Soviet Union as an enemy who must be confronted totally and globally without compromise or cooperation on any point. The United States shares the responsibility for defending its allies and friends against Soviet expansionism, but it also has a responsibility to reduce the possibility of war between the superpowers by compromise and cooperation with the U.S.S.R. in areas of mutual interest and mutual benefit.

Two, China's border dispute with the Soviet Union has triggered armed clashes and contributed to the massing of more than 1 million troops in confrontation along that 4,650-mile border. The United States has no interest in supporting either side in this dispute or in strengthening either side against the other.

Three, China's territorial disputes with India, Vietnam, the Philippines, Malaysia and Japan include claims extending throughout the South China Sea, the East China Sea, and the waters between Korea and Japan. These claims not only affect these countries directly, but they bear upon the economic activity of other countries in shipping, fishing, and the exploration of offshore oil on the Continental Shelf. The United States has no interest in strengthening China's ability to advance its claims by the use of force.

SINO–AMERICAN RELATIONS

Four, these factors preclude defining the Sino-American relationship as one of mutual security, or in other terms which imply an identical interest in military and strategic matters. Therefore, we should:

1. Maintain an embargo against the sale of weapons to the People's Republic, and

2. Avoid the use of rhetoric which implies to the Chinese or others any such identity of interest. We should, however:

3. Have differential embargo lists for China and the Soviet Union, covering dual technology which may have military as well as civilian application. The potential use of such technology is very different in a superpower with the human and technological resources of the U.S.S.R. as compared with an underdeveloped economy such as the People's Republic of China. Moreover, this technology cannot be denied China over a prolonged period because of competitive suppliers elsewhere and the permeability of knowledge and skills as China modernizes in the world economy.

In closing I would second Mr. Barnett's comments to the extent that our support for China's economic modernization should be full

and generous. This is important to help the world's largest and oldest society raise its living standards and its self-respect as an advanced economy. China's interaction with other countries can advance common interests in the management of resources, pollution, and other problems of concern to regional and global security. This may in time aid in settlement of pending issues with China's neighbors mentioned earlier. Thank you.

[Mr. Whiting's prepared statement follows:]

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PREPARED STATEMENT OF ALLEN S. WHITING, DEPARTMENT OF POLITICAL SCIENCE AND CENTER FOR CHINESE STUDIES, UNIVERSITY OF MICHIGAN

SINO-AMERICAN MILITARY RELATIONS

Introduction

U.S.-China policy has accomplished many of its objectives since the historic visit of President Nixon to Beijing and the Shanghai Communique of February 1972. Full diplomatic relations between these two major Pacific powers have opened the door to an ever expanding range of trade, travel, scientific and cultural exchange. The United States is beginning to play a major role in China's economic modernization. A modus vivendi on Taiwan has obviated the need for an American defense commitment and ended our intervention in the Chinese civil war.

China's support for the U.S.-Japan security treaty strengthens the prospects for peace and stability in northeast Asia.[1] China's close cooperation with the Association of Southeast Asian Nations (ASEAN) in condemning the Vietnamese invasion of Cambodia is an important counter to expanded Soviet influence in the area. Sino-Pakistani consultations have reinforced South Asian resistance to the threat of Soviet expansionism, manifest in the invasion of Afghanistan.

The progress to date has been so swift and successful as to exceed the most optimistic expectations of those who labored over the past ten years to bring about a new relationship between China and the United States. Tactical bargaining and technical problems continue to impede solution of such matters as textile quotas, civil airline arrangements, and the final disposition of frozen assets and confiscated property claims. But the positive far outweighs the negative, to the credit of high officials in Beijing and Washington who committed their political prestige to a Sino-American detente.

However, the next stage in Sino-American relations raises new questions

and problems. Having resolved most of the immediate issues between our two countries, the possibility arises of entering into a strategic partnership. This prospect was raised by Vice-President Walter Mondale, speaking on Chinese media at Beijing University in August 1979. In his words, "The fundamental challenges we face are to build concrete political ties in the context of mutual security."[2] Mutual security implies an alliance relationship. More recently, Assistant Secretary of State for East Asian Affairs Richard Holbrooke declared, "A China confident in its ability to defend its borders against foreign aggression enhances stability in the Pacific and on the Eurasian landmass, and therefore contributes to our own security and that of our allies."[3]

In pursuit of this goal, Mr. Holbrooke declared, "We can and we will assist China's drive to improve its security by permitting appropriate technology transfer, including the sale of carefully selected items of dual use technology and defensive military support equipment." While repeating previous administration policy against the sale of arms to China, he implied that this was subject to change by noting that "the *current* international situation does not justify our doing so." (Italics added)

The Mondale and Holbrooke speeches signal an impending Sino-American military entente directed against the Soviet Union, at least as seen from the vantage point of Moscow. While Holbrooke asserted that "relations with China are not a simple function of our relations with the Soviet Union," he warned that "the pace of their advance has been and will continue to be influenced by changes in the international environment," a clear hint of the triangular fix on policy which he elsewhere tried to deny.

These propositions deserve careful scrutiny. China's military modernization is a massive undertaking. It will require the total re-equipping

of the air force which is wholly obsolete and the complete overhaul of the ground forces, where capabilities are sadly deficient compared with those of the Soviet Union. It will also require the retraining and upgrading of human skills involved in the management and maintenance of the vast People's Liberation Army. Only through this gargantuan effort can China feel truly confident "in its ability to defend its borders against foreign aggression."

But more than feasibility forces us to ask hard questions concerning our military relations with the People's Republic. The political consequences must also be weighed. The borders that China seeks to defend are disputed by its two largest neighbors, the Soviet Union and India. Incidents along the Sino-Vietnamese border contributed to China's invasion of Vietnam in 1979. China's territorial claims at sea conflict with those of Vietnam, Malaysia, the Philippines, and Japan. China's continental shelf position challenges that of Japan and the Republic of Korea. Last but not least, Beijing reserves the right to use force against Taiwan. These potential flash-points of controversy compel us to examine the assumptions and implications which underlie present and prospective policy.

In addition, of course, there is the larger question of the triangular relationship. How do we envisage our long run policy toward Moscow? Is it one of maximizing the force available to deter Soviet aggression and should deterrence fail, to win World War III? Or is it a mixed strategy of selective confrontation and cooperation in hope of stabilizing the relationship and reducing the risk of war? Should we strengthen one side militarily in the Sino-Soviet dispute, or should we limit our help to non-military activity?

Finally, what is our confidence in predicting future Chinese foreign policy? What are the prospects in the 1990s, when Beijing's modernization

programs should begin to bear fruit? Does the past provide any precedent for prediction or is this a watershed period for the People's Republic and its interaction with the world?

These are only the most salient questions. They cannot be adequately addressed, much less answered, in the compass of a brief paper. Moreover, they should be considered in consultation with our allies and friends in Asia, especially Japan, whose interests in and knowledge of the area supercede our own. However, in the following pages, we can at least examine some of the implications of assisting China's military modernization as a guide to the extensive discussion and debate which will follow this committee's deliberations.

China's Unsettled Territorial Claims

So long as China entertains a claim to territory disputed by a neighbor, any strengthening of Beijing's military capability to assert that claim logically should be of concern to that neighbor. Fighting between the PLA and another country triggered wholly or in part by such disputes has occurred with India (1962), the Soviet Union (1969), South Vietnam (1974), and North Vietnam (1980). In addition, a demonstration of armed force by Chinese fishing boats occurred near the Senkaku Islands administered by Japan (1978).

These territorial claims vary widely in their military, political, and economic importance as well as in their susceptibility to armed confrontation. The status quo between India and China has not been challenged by either side since 1962. The PLA victory at that time confirmed Beijing's ability to control a large disputed sector in the Ladakh area through which an important military road linked the potentially rebellious frontier areas

of Xinjiang and Tibet.[4] While the PLA offensive simultaneously overran the entire Northeast Frontier Agency (NEFA), also in dispute, a unilateral withdrawal returned NEFA to New Delhi's control as a tacit quid pro quo for the Ladakh area. This followed a compromise formula proposed by Premier Zhou Enlai in 1960.

Until this border is formally agreed upon and demarcated as well as delimited, the potential for further fighting remains. This could arise through dissident activity in Tibet with guerrilla support from neighboring territories provoking Chinese patrols to pursue actual or suspected opposition through passes in the high Himalayas held by Indian outposts. Alternatively, clashes could occur in the context of renewed Pak-Indian hostilities, wherein China's tacit alliance with Pakistan prompts Beijing to show support for Islamabad. Both situations have arisen in the past. Their future possibility helps to explain India's recent agreement to accept $1.6 billion in military aid from the Soviet Union over the next five years.[5]

The Sino-Soviet border dispute involves considerably less territory, most of which has little or no strategic significance, but it continues to have a far higher potential for conflict. Two areas held by Moscow and claimed by Beijing are of military importance: the island at the juncture of the Amur and Ussuri Rivers overlooking Khabarovsk and the so-called "Pamir knot" adjoining the U.S.S.R., China, and Afghanistan.[6] The remainder involves islands in the Ussuri River and frontier land in Central Asia.

The potential volatility of this territorial dispute stems from the larger context of Sino-Soviet relations, manifest in the deployment of more than a million troops in confrontation along the 4,100-mile border. The lack of Soviet apprehension over an imminent conflict is reflected in the fact that of its forty-odd divisions arraigned against China, nearly half

remain at one-third strength or less.[7] For its part, Beijing has muted the war alarm of its public media of a few years past. The size and composition of the Soviet forces justify this relatively relaxed posture, although the recent addition of Backfire bombers and SS-20 missiles has increased Moscow's ability to strike hard and deep at Chinese population and industrial centers. Thus, neither side seems concerned about war in the near future either as a defensive or offensive contingency. However, Soviet professed apprehension over the prospects of Chinese military modernization with foreign assistance appears genuine. In view of the vulnerability of the Trans-Siberian Railroad which supplies the key Far East base of Vladivostok, this apprehension has some basis in objective reality, however much it is exaggerated in manipulative posture or subjective paranoia.[8]

The border dispute with Vietnam is the least sizeable and the most recent of the three controversies over China's landed frontier, but it also has occasioned the most serious fighting. While few details are available in open sources, it appears that no area of strategic or economic importance is involved. As with the Sino-Soviet dispute, the boundary problem is more a function of the larger relationship than significant in itself. Yet the fact remains that China justified its invasion of Vietnam in part on allegations of border violation.[9]

It might be argued that because the U.S.S.R. and Vietnam are basically in an adversary relationship with the United States and its ASEAN friends, it is in the American interest to support China in its border disputes with both countries. This argument is open to challenge. In the short run, Vietnam's increased dependency on the Soviet Union as a consequence of Chinese economic and military pressure enhances the Soviet position in Indochina. The appearance of Moscow's military ships and planes in Cam Ranh Bay

and Danang as a result of the Chinese invasion demonstrated this triangular interaction. In the long run, Vietnam's desire for full independence and its need for economic assistance from countries outside the Soviet bloc may provide an opportunity to reduce Soviet influence, provided that Sino-Vietnamese relations improve rather than deteriorate. This would be to the interest of ASEAN as well as of the United States.

China's offshore claims cover the entire South China Sea, extend to the island archipelago between Japan and Taiwan, and reach across the continental shelf to the waters between Japan and Korea. In January 1974 Beijing exercised its claim to the Paracel Islands by defeating South Vietnamese forces there in a brief encounter. Other islands in the South China Sea held by Vietnam, Malaysia, the Philippines, and Taiwan are contested by Beijing. Chinese maps ring the Sea with territorial boundary markers.[10] At a minimum, China's extension of the twelve-mile limit from its claimed islands, reefs, and shoals could obstruct passage through this main route between Japan and the Middle East. At a maximum, recourse to the 200-mile economic zone could provide Beijing with control over the use of the area for fishing and offshore oil exploration, vital concerns for contiguous countries.

Beijing has confined its official protests over Japanese administration of the Senkaku (Diaoyutai) Islands to statements. However, a fleet of more than one hundred armed fishing boats sailed in the vicinity for a week in April 1978 with signs declaring the islands to be Chinese.[11] Although miniscule and uninhabited, they may provide access to offshore oil. Joint offshore oil exploration between Seoul and Tokyo has been protested by Beijing for many years as a violation of China's ownership of the continental shelf.[12] So long as Japan continues to play a major role in China's economic modernization, there is little danger that either issue will be pressed to

the point of confrontation. However, China's relations with South Korea and Japan contain the seeds of serious controversy, depending upon how the three countries manage their pursuit of offshore oil.

Land-based controversies can be affected by changes in ground and air force capabilities; those at sea are susceptible to changes in naval and air power. All three services are potentially relevant for the future disposition of Taiwan, although an air-sea blockade is more likely than an all-out invasion across the 100 miles of strait separating the Nationalist island from the Communist mainland. In sum, the agenda of unsettled territorial issues confronting future Chinese regimes in Beijing makes it virtually impossible to strengthen the PLA without increasing the potential threat to countries whose interests are important to U.S. policy.

The Soviet Factor

Assistant Secretary Holbrooke's allusion to "stability on the Eurasian landmass" being enhanced by "a China confident in its ability to defend its borders against aggression" raises the relevance of other areas beyond the periphery of China. More specifically, it is sometimes argued that China provides a deterrent against Soviet aggression on the NATO front through the prospect of a two-front war, and China diverts Soviet forces that might be deployed elsewhere to facilitate Moscow's expansionist goals.[13]

In quantitative terms, this argument has some merit, although less than its advocates profess. The Sino-Soviet border has never been a demilitarized frontier like that between Canada and the United States. Even during the heyday of alleged "monolithic unity" between Moscow and Beijing, twelve to fifteen divisions were positioned in the Soviet republics adjacent to China. This increased to thirty-five divisions by 1969, the

year of maximum fighting on the border and of implied Soviet threats to attack China's nuclear facilities.[14] Ten years later, an estimated 600,000 Soviet troops were arraigned in an arc extending from Central Asia through Mongolia to the Soviet Far East.[15]

None of this occurred as a result of an improvement in Chinese military capabilities. Conceivably such an improvement might prompt Moscow to deploy additional units which otherwise might confront NATO or move to trouble-spots in the Middle East and Africa. But this is not certain. Moreover, China's hostility did not deter the Soviet invasion of Afghanistan. As for NATO, the American troop presence and treaty commitment is almost certainly the operative deterrent, while the buildup of Soviet conventional and nuclear strength in East Europe has apparently not been significantly slowed by the buildup against China.[16] In sum, the advantages in global terms of strengthening China's military forces are highly conjectural and marginal at best.

While the disadvantages in terms of U.S.-Soviet relations are also conjectural, they further weaken the argument of those who cite alleged benefits. We know virtually nothing about Soviet decision-making at the highest levels. We can only speculate on the relative weight of respective factions and in particular of civilian versus military interests.[17] However, both logic and analogy with other modern bureaucratic systems suggest that the stronger and more visible the Western role in China's military modernization, the more likely is the Kremlin to strengthen its armed forces, and the more hostile will it perceive Western policy to be. This in turn will maintain, if not accelerate, the arms race and the level of tension in Soviet-American relations.

The opposite possibility of arms control and detente does not necessarily follow from a refusal to arm China. Indeed, the dynamics of Soviet decision-making may drive Moscow's military expansionism further, necessitating additional countermeasures and perhaps an ultimate confrontation. But until we are confident that Soviet policy is inexorably set on a course of conquest, it is imperative that we advance the prospects for a debate in the Kremlin which will respond to our professed desire for a cooperative, not conflictual, co-existence.

It is difficult to determine the political volatility of the China factor in Soviet calculations. Objectively, Moscow's overwhelming preponderance of military power, at all levels and in all categories of weaponry, should provide ample reassurance that no serious threat from China need be contemplated for at least a decade and more likely until the end of the century. Subjectively, however, twenty years of bitter relations combine with a gross population disparity to produce an acute sensitivity to indicators of an anti-Soviet coalition which might include China. In part, this stems from the historic Russian recall of Moscovy and Kiev being overrun by the Mongol invasion. In part, it comes from the extreme xenophobia, directed especially against the Soviet Union, manifested in Red Guard rampages during the Cultural Revolution of 1966-68.

These fears are not all determining. They did not preclude Stalin providing Mao with an entire jet air force in 1951-53 or Khrushchev's delivery of important assistance in the manufacture of atomic weapons in 1958-60. They do not rule out a future Sino-Soviet detente, should both sides agree to a modus vivendi. But neither can they be dismissed out of hand as irrelevant to Sino-American relations. At the very least, we are in no position to underwrite China's border claims against the

Soviet Union or appear to strengthen Beijing's hand in its negotiations with Moscow over this issue. Least of all should we risk raising this perception in the Kremlin when Soviet-American communication is at a low ebb and a change in Soviet leadership appears imminent.

China's Future and U.S. Policy

Given the obsolete state of the PLA, its size, and the human component of modernization, it is not likely that any major changes will occur in China's military capability before the middle of this decade, except perhaps in strategic nuclear weapons. The missile program may soon benefit from the translation of research and development into regular production. Otherwise, however, the cumulative effects of improved ground, air, and naval weapons changes will only become operationally important in the late 1980s at the earliest.

So far as predicting Chinese policy at that time is concerned, particularly with respect to the foregoing agenda of issues, formidable obstacles exist. The present leadership is predominantly in its upper sixties and seventies. We do not know what mix of individuals and interests will dominate decision-making a decade hence. There is good reason to hope that the integration of China into interdependent relationships will temper its recurring tendency toward xenophobic isolation and induce compromise in such matters as the management of ocean resources. However, factional political struggle may combine with frustrated economic development to produce an angry reaction against interdependency and compromise on nationalistic issues.

This possibility provides a powerful rationale for assisting China's economic modernization through loans, technology transfer, and training

abroad. This supports goals articulated by the present leadership in Beijing, which are presumably shared by those being prepared for succession. These goals place military modernization last in sequence to be accomplished as the result of developing the civilian economy rather than through the "quick fix" acquisition of foreign weapons. If this order of priority continues to be observed, the spillover effects of advanced technology will eventually strengthen China's military capability.

This should not exclude the sale of technology and equipment which may be used for military purposes as well as serve non-military needs. In fact, the Soviet Union sells long-range jet transport aircraft and "civilian" helicopters to China. However, the alleged line of distinction between so-called "defensive" and "offensive" weapons is generally too indistinct to permit clear and consistent policy application. Moreover, the incremental transition from one category to the other can be anticipated, contrary to fact, by friend or foe with disturbing consequences in either case. In short, the absolute prohibition against weapons sales to China should remain in force for U.S. policy.

Dual purpose technology raises complications which cannot be addressed here. In general, however, the potential use of such technology in a highly advanced economy such as the United States, or by a military superpower such as the Soviet Union, is not possible for China at its present stage of development. This argues against applying the same embargo list for both sides of the Sino-Soviet dispute. Furthermore, technology is more easily copied or acquired through a competitive world market than are advanced weapons. U.S. allies, par-

ticularly Japan, are less likely to agree to constraints in this area than they are in arms sales to China.

As a final note, we must be sensitive to the role of symbols as well as of substance. Perceptions and expectations are shaped by speeches, visits, and media messages triggered by calculated briefings and backgrounders. Short-run tactical maneuvers can cause long-run strategic problems if they are not carefully designed as part of an overall policy calculation of potential gains and risks. Sino-American relations, whether addressed unilaterally or through interaction between Beijing and Washington, must not be construed by either side or by third parties as based on any such concept as "mutual security." Many points of divergence exist between China's definition of its security and that held by the United States, its allies, and its friends in Asia. The more common term, "parallel strategic interests," reminds us that parallel lines may be proximately or widely separated but they never meet. This overstates the divergence between China and the United States on such questions as the U.S.-Japan security treaty and the Soviet presence in Southeast Asia.

Given these complications, it would be better to abandon the effort for catch words and phrases that become cliches at best and policy traps at worst, the most notorious example being the so-called "China card." Rhetoric can not only obscure reality; it can create a reality of its own. The Sino-American relationship is now entering a stage where hard facts and plain speaking should determine the image as well as the content of U.S. policy, especially where military aspects are concerned.

NOTES

1. Premier Hua Guofeng noted at his recent Tokyo press conference, "We appreciate Japan's efforts to strengthen its alliance with the United States." Beijing Review, No. 23, June 9, 1980, p. 12.

2. The New York Times, August 28, 1980.

3. Assistant Secretary Richard Holbrooke in address to the National Council for U.S.-China Trade, Washington, D.C., June 4, 1980, Department of State text.

4. Allen S. Whiting, The Chinese Calculus of Deterrence: India and Indochina (Ann Arbor: University of Michigan Press, 1975).

5. The New York Times, May 30, 1980.

6. International Boundary Study: China-USSR, No. 64 (revised) (Washington: Bureau of Intelligence and Research, Department of State, February 13, 1978).

7. The Military Balance, 1979-1980 (London: International Institute for Strategic Studies, 1979), p. 10. Also John M. Collins, Imbalance of Power (San Rafael: Presidio Press, 1978), p. 130 notes, "About half of all Soviet divisions on the Chinese border are Category III. The Kremlin apparently anticipates no early aggression by either side in that area."

8. The Trans-Siberian Railroad runs within ten miles of the Chinese border for a distance of 175 miles between Khabarovsk and Vladivostok, at one point being only 1.5 miles away. Data from U.S. Army Map Service. 1:250,000. (L-542, Sheet NL 53-7, Hu-lin, China) (Washington, D.C.: Defense Mapping Agency, 1955).

9. Harlan W. Jencks, "China's 'Punitive' War on Vietnam: A Military Assessment," Asian Survey, August 1979, Vol. 19, No. 8, p. 802.

10. Zhongguo Dituce (Atlas of China) (Shanghai: 1974), p. 16.

11. Chae-jin Lee, "The Making of the Sino-Japanese Peace and Friendship Treaty," Pacific Affairs, Fall 1979, Vol. 52, No. 3, pp. 430-31.

12. See Chinese Government Statement, May 7, 1980, Beijing Review, No. 20, May 19, 1980, pp. 6-7.

13. Ronald Reagan offered this analysis to support President Nixon's trip to Beijing in 1972. See Helen von Damm, Sincerely Yours, Ronald Reagan (Ottawa, Ill: Green Hill Press, 1976), pp. 74-75, letter to M. Stanton Evans, head of American Conservative Union.

14. Information available to the author at the time.

15. Allocation of Resources in the Soviet Union and China--1978; Hearings before The Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, Congress of the United States, 95th Congree, 2nd session (Washington : 1978), Part 4: Soviet Union, p. 88.

16. The Central Intelligence Agency estimated in 1978 that between 12 and 15 percent of the Soviet military expenditure was for forces arraigned against China; ibid.

17. Arthur J. Alexander, Decision-Making in Soviet Weapons Procurement, Adelphi Paper No. 147/8, Winter 1978/79 (London: International Institute of Strategic Studies).

Mr. WOLFF. Thank you very much, Mr. Whiting. The statements both you gentlemen have made are certainly not only provocative but of assistance to the members facing this issue.

U.S. SECURITY INTEREST

I am wondering, when it comes to the overall structure of the relationships between our two countries, the military relationship, where you would stand on the question of a Soviet attack upon the Chinese, and our position. Would it be in our security interest to pursue a cause of assistance to China, or to stand by and let those two giants fight amongst themselves?

Mr. BARNETT. That is a tough question. I think there should be no question in our mind that we should use our influence to the extent we can, to deter such an attack by the Soviet Union. It seems to me that our capacity to give effective military support to China, however, is extremely limited and nobody should have illusions about that. The Soviets have large forces immediately on China's border. If the Soviets chose to have a rapid attack or surgical strikes against various parts of China, we could respond ex post facto, but we could not prevent that from happening.

I think what should be made clear to the Soviet Union is that we would regard that as an extraordinarily irresponsible, dangerous international act which they would pay a large price for in international relations—in their relations with us, with Europe, and Japan.

Mr. WOLFF. Do you think that would really deter them, however? It did not deter them very much in terms of the reaction of the world community so far as Afghanistan is concerned.

Mr. BARNETT. Well, if you want my opinion, I think, yes. I think it is deterring them from taking military action. I suspect that the Soviets have been tempted at times in the past 10 years from a position of great military superiority to do certain things to a weaker China—militarily—and I think it has been deterred by a recognition of the international costs they would pay for doing this. I think it would transform international relations not only in Asia, but worldwide. Among other things, it would guarantee a rapidly remilitarized Japan. It would guarantee that the door is closed for a very long period of time, perhaps an indefinite period of time, to an improvement of United States-Soviet relations. It would guarantee a much larger American military buildup, I think.

Mr. WOLFF. What would the loss of China as an independent nation in the event of a Soviet victory mean to the Soviets? Would this not put us in the same position, for example, that we find ourselves with some with whom we have a treaty, such as Japan? I take it, we would risk confrontation with the Soviet Union in the event that the Soviet Union attacked Japan.

Mr. BARNETT. We are committed by alliance. We would not "risk" it, we would be in the conflict.

HYPOTHESIS OF CHINESE DEFEAT

Mr. WOLFF. Right. Now, Professor Whiting would like to comment.

Mr. WHITING. Yes; I would like to address your last point first, and then basically challenge the premise of your questioning.

Mr. WOLFF. I am playing the role of "devil's advocate."

Mr. WHITING. On the last point, if the Chinese were to be conquered by the Soviet Union in a military sense, they would never be conquered in a political sense. There are no assets in China that would transform the superpower of the Soviet Union today into a global power; whereas in the case of Japan, there is no question that the transfer of Japanese technological industrial capacity to the Soviet Union would completely alter the balance of power not only in the Pacific area, but throughout the world.

So, as a hypothetical question, the consequences of a Chinese defeat would be qualitatively and quantitatively different from a Japanese defeat. The point here is, of course, the United States is committed to Japan by treaty.

However, I would like to go back to the premise which does underlie a lot of writing concerning these two powers' relationships. I think the fact that the Soviet Union has really paid relatively little heed to its military force opposing China over the last decade suggests that there really has not been a serious option in the minds of the men in Moscow of having a war with China.

According to the analysis of John Collins in the Library of Congress as recently as 1978–79, approximately one-half of the Soviet divisions facing China were in category 3, which means that they were at one-third strength or less. The total force structure there of some 700,000 persons—much less than the Chinese force confronting them—is also of course far inferior to what would be necessary to carry on any kind of a war with China. Three-fourths of the Soviet military strength has been directed against West Europe and NATO, and occupying East Europe; one-fourth is opposite China.

The surgical strike option that Mr. Barnett referred to earlier may have been entertained 10 years ago when the Chinese had no nuclear production capacity but it certainly is not something that can be seriously entertained in Moscow with the passing years of increased kinds of nuclear retaliatory capability.

UNITED STATES NOT A DETERRENT

I am not sure that the United States really has played as deterrent a role in this sense as the Chinese themselves have played. The Chinese resistance to the Japanese military superiority from 1937 to 1945 was impressive testimony of their grit, as was the Vietnamese resistance to the American technological superiority. These are object lessons that prudently caution the Kremlin against an attack against the Chinese.

So, addressing the question as you put it, is proper. However, I would like to get behind the question and reassure you that I do not think that this is a serious possibility now or in the foreseeable future.

Mr. BARNETT. Could I just add a word to that before you pass on to Mr. Pillsbury?

Mr. WOLFF. For a moment because I do want to pass on to Mr. Pillsbury.

Mr. BARNETT. I also hold the judgment that there is no evidence and every reason to believe that the Soviets do not consider a major war against China as a realistic option on their part. I also agree

with what Al Whiting said, that China has developed at least a minimal nuclear deterrent, and there are very strong prohibitions against considering any nuclear action against China, and it tends to inhibit the Russians from considering major military action of any sort.

But I do not think one can exclude certain types of events that could be dangerous, and there I will add on to or qualify what Whiting said.

I could conceive of circumstances where the Russians might feel almost compelled to take limited conventional punishing action, perhaps, on the Chinese border. One of these would be a second major Chinese operation against Vietnam. I think the Russians were inhibited from doing it the last time. I think it is by no means certain that if there are renewed Chinese-Vietnamese operations on a large scale, that they would feel that they could not stand idly by without doing something.

The danger, if that kind of a situation developed, with an action and interaction, that both sides would try to control it and limit it, but these kinds of things have built-in dangers of escalation. That kind of contingency which they might regard as a very limited thing in its objectives, has dangers of going beyond that, and it seems to me in real terms one should be concerned about it.

Mr. WHITING. I agree.

Mr. WOLFF. Thank you both, gentlemen. Mr. Pillsbury has joined us, and I ask you to proceed. You can either summarize your statement or read it in full, if you so desire. If you decide to summarize, without objection the entire statement will be included in the record.

STATEMENT OF MICHAEL PILLSBURY, SENATE POLICY STEERING COMMITTEE

Mr. PILLSBURY. Thank you. I think I will summarize my statement just very briefly.

I began by talking about your fascinating article in the Washington Star on May 31, "What do we want from China?" Mr. Chairman, that same day Chinese Vice Premier Geng Biao was visiting the North American Air Defense Command Headquarters in Colorado. The American official party with Geng Biao excluded the American press and explained to them that this was a top-secret facility, so they could not go inside with the Vice Premier, nor could they ask any questions afterwards.

I want to begin with that moment in time in the long history of Chinese-American relations because it is astonishing that an installation as intimate as that one could be visited by a senior Chinese Communist military official, in fact, the Secretary General of the Military Affairs Commission in Beijing.

After the call was put forward by you on May 31 to have a series of hearings and a debate discussing China policy, how appropriate it was on the very same day that this Chinese visit occurred. And not more than 5 days later Assistant Secretary Richard Holbrooke, almost as if responding to you and I am not sure of that, of course—delivered the most significant address on China policy that this administration has yet put forward.

So in a way the questions you have already begun to raise and the points you have made are being examined. Surprisingly, after normalization occurred the debate on China died down. The attention of the press focused mostly on the China-Vietnam relationship as opposed to our own policy. If Mr. Holbrooke's speech isn't a direct response, it is a very big step in the right direction. I am very grateful to be part of your first hearing. I want to wish you luck in the ones you have in the future.

Most of my statement asks how much we really know about the Carter administration policy for China already. My answer is, "Not very much." So, I quote at length from Mr. Holbrooke's address on June 4 what he calls the principles for the decade ahead—in fact, he uses the plural, "For the decades ahead"—for our relations with China.

Some of those principles, in fact one in particular, No. 6, I think have been very much influenced by the work of Doak Barnett at Brookings who has talked for many years about how global issues involving environment and arms control, and energy problems, cannot or at least should not be addressed without the cooperation of China.

BIPARTISAN CONSENSUS

Some of the other principles, I would say four of the six, are quite similar to what I would call the bipartisan consensus about China policy. However, the fourth point is somewhat unusual, and coming at the end of an administration of 3½ years of rather surprising—at least to me—press leaks of classified documents about China policy, it seems to me that the fourth point in Mr. Holbrooke's speech bears rather close examination. I could mention just as quick background the names of some of those leaks or documents that have occurred in the last 3½ years that we have all heard about but actually never had the administration comment about—PRM–10, PRM–24, PRM–31; and most recently something tantalizingly referred to as CG–8. In many cases actual quotations were given in the New York Times and the Washington Post, and other newspapers, from those documents.

Leaks seem to occur during policy debates.

So, one has the rather strong impression that after 3½ years of fairly intense debate about China policy enough of a consensus has been established within the administration that Mr. Holbrooke can now come forward with a rather detailed account of what the Carter administration has in mind for the future.

Since that speech was made, we are really in a new situation. Some of the questions you raised, however, were not fully answered. For example the last statement on the record by an American official concerning the defense of China against Soviet attack or Soviet pressure, the topic you were addressing, was by Secretary Kissinger who made two different comments in October and in November of 1976 in which he talked about the hypothetical possibility of a Soviet attack or Soviet pressure on China. He said he would take an extremely dim view of this. I do not have the exact quotation, but the language made it quite clear, at least in Moscow which responded publicly within 24 hours, that the United States would not stand idly by in the event of a Soviet military effort against China.

SOVIET PRESS ATTACK

The Soviet press attacked Mr. Kissinger for "meddling" in Sino-Soviet affairs and made a comment which is not unfamiliar to us here, that they had no thought whatsoever of using force against China, and simply attacked Mr. Kissinger for even raising this possibility.

Mr. Holbrooke's fourth principle is not specifically focused on the Soviet Union. He is talking in the abstract for most of the discussion. "We will continue to pursue our interest in a strong, peaceful, and secure China." I am quoting here. "A China confident in its ability to defend its borders against foreign aggression enhances stability in the Pacific and on the Eurasian landmass and therefore contributes to our own security and that of our allies."

Then he goes on to rule out two specific possibilities. "We do not sell arms to China," he says, "or engage in joint military planning arrangements with the Chinese."

Then comes one of the most interesting phrases in this entire speech—there are several more just like it—he says, "The current international situation does not jusify our doing so."

Now, if I can skip from that section to the very end of my statement, I have three other examples of what I call the qualifying clauses in his speech. In my view these three qualifying clauses amount to perhaps the most threatening statements that this administration has dared to make in the direction of the Soviet Union. The first one—perhaps the mildest—is the phrase, "Strategic factors remain a central consideration in our relations." Now, the context of this clause is that he is implying the very opposite. He states that triangular relations are no longer a conceptual framework for our policy toward China. So, the general thrust of his first point out of the six is that we have moved beyond the old days of triangular diplomacy and now we are in a period of bilateral ties with China, really for their own sake and for the sake of global issues that can be addressed.

Yet, the qualifying clause, as I mentioned, is that the strategic factor remains a central consideration.

AMBIGUITIES

The next qualifying clause I want to mention is the one that begins, "In short, relations with China are not a simple function of our relations with the Soviet Union." In my statement I underlined the word simple in "not a simple function of our relations with the Soviet Union," because this word raises the rather intriguing possibility of what exactly is simple in that context.

Then, the rest of that statement is, "Although the pace of their advance has been and will continue to be influenced by changes in the international environment." Here, we have a certain ambiguity. On the one hand, it can be a perfectly legitimate comment about international diplomacy—you always want to keep your options open. On the other hand, I believe, in the context of the third qualifying clause it takes on a more threatening aspect. That third clause is, "In the absence of frontal assaults on our common interests we will remain—as at present—friends rather than allies." I underlined "common interests" because that is not defined anywhere in this speech, and of course the question that Secretary Kissinger was raising in 1976 was

that preventing a Soviet assault on China would in fact be a "common interest" of both Washington and Peking. But, again, the context of this whole paragraph is a denial by Mr. Holbrooke that there is any thought of having an alliance relationship with China. Yet, the thrust of that particular clause, it would seem to me, is in the other direction. That is to say, a warning has been given to the Soviet Union—in my interpretation—that if certain undefined actions are taken, then certain relatively clear consequences will follow: an alliance with China, or at the very least that the pace of the advance of our ties with China will be stepped up. Short of a Soviet assault, the overall international environment may also play some role in this, according to the speech.

WHAT IS OUR POLICY?

So, I wanted to highlight that principle for you because it seems to me that the question of United States-China policy really has to begin with a statement of what is our policy now. To the degree that your series of hearings can be successful, it seems to me you will have to begin with trying to be as clear as possible about what are we beginning.

It is not clear, but it is highly likely that we have now, through the speech of Mr. Holbrooke, a public and declared security commitment to the defense of China in the event of a Soviet assault on that country.

Mr. WOLFF. Do you think that is good or bad?

Mr. PILLSBURY. I think by the end of your hearings I can look forward to reading the answer to that question. [Laughter.]

It would be premature to give everything away on the very first day.

[Mr. Pillsbury's prepared statement follows:]

PREPARED STATEMENT OF MICHAEL PILLSBURY, PROFESSIONAL DEFENSE CONSULTANT, SENATE REPUBLICAN POLICY STEERING COMMITTEE

Chairman Wolff, I appreciate the opportunity to be here today, and I have read your article in the Washington Star on May 31 entitled "What Do We Want From China?" The day your article calling for a public debate on our future China policy appeared, the press reported the visit of China's Vice Premier Geng Biao to the headquarters of the North American Air Defense Command in Colorado after a day touring Fort Carson where he watched an exercise involving infantry, tanks, artillery, air defense, and combat-engineering troops, according to the Los Angeles Times. Reporters were not allowed to accompany Geng Biao inside the top secret facility, according to the L.A. Times, nor to ask him any questions later. Yet this rather astonishing moment of contact between the Chinese and American defense establishments went almost unnoticed in the press, illustrating very well your point that "public debate and consideration of China policy has all but disappeared—at exactly the wrong time." After the American public was told in the 1960s that it must oppose Vietnamese aggression against Saigon in order to teach a lesson to the Red Chinese, perhaps no one is eager to explain to the public today why those same Chinese should be visiting our secret military installations after they have been busy this past year teaching the Vietnamese a lesson themselves. Has the world really changed so much? Or was someone wrong before? Or is someone wrong now? These are crucial issues. Your hearings come at the right time. What is more, you seem to have received a first response already.

I am referring to the speech by Assistant Secretary of State Richard Holbrooke on June 4 entitled "China and the US: Into the 1980s" which rather cryptically described Vice Premier Geng Biao's visit this way: "His discussions with Defense Secretary Brown, with the President, the Vice President, and the Secretary of State have played a key role in defining what is now desirable and possible in terms of a modest American contribution to China's massive modernization needs." To me, this means that another step has been taken in the Carter Administration's China policy, but the Administration would pre-

fer not to discuss the details. In fact, this is a consistent policy of discretion, or shall we say secrecy, with regard to China that has continued for many years. This discretion probably accounts for the lack of public attention that you have described, Mr. Chairman. You can't debate a policy that you don't know is there.

HOLBROOKE SPEECH

Therefore, I suggest your hearings begin with a detailed discussion of Mr. Holbrooke's speech. It may be the best—and the only—answer to the questions you have raised.

I might add that there may be excellent reasons for discretion in discussing our China policy. First, the Chinese may have requested confidentiality. Secretary Kissinger's memoirs are candid about China, but he must have preserved a few details, at the very least, and his first volume takes the story only as far as 1972. Mr. Holbrooke's speech features a sample of the kind of material that may be in the lengthy U.S.-China talks since 1972 when he reports that, "Chairman Mao told us privately as early as 1973, the United States must not attmept to stand on China's shoulders to strike at the Soviet Union."

A second reason for secrecy in China policy may be to avoid gratuitous provocation of the Soviet Union—or others—by drawing attention unnecessarily to the strategic potential that closer Chinese-American cooperation could bring one day. In November 1976, for example, the Soviet media reacted swiftly to remarks by Secretary Kissinger that the United States would take "an extremely dim view of a military attack, or even military pressure, on China." I have not seen similar remarks by the Carter Administration, even after Afghanistan, as, as you know, Chairman Wolff, there is great concern in some parts of Congress and the Administration that we should not provoke the Soviet Union because of its alleged paranoia about the West, its alleged insecurities about its world status, and its alleged restraint in defense spending which, if released by Western provocation, would bring on an expensive arms race.

SECRECY ON CHINA POLICY

Leaving aside the obvious career advantages to the select few mid-level officials and former officials who seem to prefer to act and speak ever so mysteriously about U.S.-China relations so that the rest of us will eternally wonder what else may have been going on, there is yet a third reason for preserving secrecy about China policy. It may simply be politically inexpedient to discuss it because the necessary public and Congressional consensus to support certain policy initiatives does not yet exist. If this is the case, Chairman Wolff, your hearings will face almost overwhelming obstacles from the Carter Administration, unless you can persuade the President's staff that you can help them build such a consensus if they will tell you what their China policy is.

Now let us focus on Mr. Holbrooke's speech since it may be all Congress is going to get until new books of memoirs are published in the 1980s. When those memoirs will become available may depend on Governor Reagan, of course.

Interestingly, Mr. Holbrooke's speech does not allow for the possibility that Governor Reagan may wish to pursue a different policy toward China. He specifically states that, "Broad American interests are engaged; it would be difficult for any future Administration to reverse the trend." This may be a question you wish to explore.

SIX PRINCIPLES

In fact, the six principles that Mr. Holbrooke has put forward are worthy of debate. They are subject to interpretation and considerable shift in emphasis. I will focus today only on the fourth one, which to me is the most interesting. For the record, if you don't have a copy, the six principles for "the decade to come" are:

"First. We will developed our relations with China on their own merits * * * the famous triangular diplomacy of the early 1970s is no longer an adequate conceptual framework in which to view relations with China.

"Second. Our new friendship with China need not and will not be pursued at the expense of our relationships with others. * * * There will be no 'division of labor' with China in Southeast Asia or elsewhere.

"Third. We will continue to recognize our national interest in a friendly and successfully modernizing China * * *. It should be a source of some satisfaction

that China, in pursuing modernization has asked us to play such an important supporting role.

"Fourth. We will continue to pursue our interest in a strong, peaceful, and secure China. A China confident in its ability to defend its borders against foreign aggression enhances stability in the Pacific and on the Eurasian landmass (sic) and therefore contributes to our own security and that of our allies. We do not sell arms to China or engage in joint military planning arrangements with the Chinese. The current international situation does not justify our doing so. Neither we nor the Chinese seek such an alliance relationship. Nevertheless, we can and will assist China's drive to improve its security by permitting appropriate technology transfer, including the sale of carefully selected items of dual use technology and defensive military support equipment. We have begun to do so. * * * Secretary Brown's and Vice Premier Geng's visits have also initiated a process of regular dialogue between our respective defense establishments. We expect these useful exchanges to broaden and grow in the years to come.

"Fifth. We will adhere scrupulously to our normalization understanding with respect to Taiwan.

"Sixth. We will actively pursue our efforts to enlist the energies and talents of the Chinese people in global efforts to address the common problems of humankind. It is obvious that no such problem—whether of the environment, of food and population, of global energy and resource management, of economic development, technology transfer or arms control—can be successfully addressed without the positive participation and contribution of China."

Now, Mr. Chairman, with only a few deletions, those are the six principles. You will note first that the entire speech contains almost no reference to the Soviet Union. Nor does it say what China wants from us. Nor does it address how much and what kind of support we may have to provide to Taiwan under the Taiwan Relations Act. Thus, the three most important questions to me are simply left to the audience to interpret. I believe that a correct interpretation of this speech should be a key objective of your hearings. It must be the basis for any debate on the Carter Administration's China policy.

I would be happy to answer any questions you have about what may be intended in Mr. Holbrooke's speech, but I have personally had no recent contact with Administration officials about the speech. Frankly, I am uncertain if the full consequences of some of the points in the speech have been appreciated by Administration officials who may still cherish notions of detente with the Soviet Union. In the part that I did not quote is perhaps the single most powerful point. At three different places, the speech contains what I would call qualifying clauses that amount to perhaps the most threatening statements this Administration has dared to make to Moscow. They are: "strategic factors remain a central consideration in our relations. * * *" and "In short, relations with China are not a *simple* function of our relations with the Soviet Union, although the pace of their advance has been and will continue to be influenced by changes in the international environment," and " In the absence of *frontal assaults* on our *common interests*, we will remain—as at present—friends, rather than allies." (I have added the italics.) Mr. Chairman, these statements may be only so much rhetoric. However, any close reader of the abundant leaks on China policy that have come from the Carter Administration will know how important these words of Mr. Holbrooke's may be. The media has brought us hints of a debate on military ties with China in documents called PRM–10, PRM–24, PRM–31, and even a "CG–8." In some cases, lengthy quotations from these secret documents have been supplied to bolster one side or another. In the context of three years of these leaks, I have been surprised at how lightly the press has taken Assistant Secretary Holbrooke's remarks of June 4. We would have heard much more about it if he had only stamped it top secret, given it a fancy letter and number and made a dozen copies for his staff and colleagues.

Mr. WOLFF. Thank you very much.

Mr. Guyer.

Mr. GUYER. Mr. Chairman, I came in late and I do not feel really qualified to pinpoint precise questions.

I am enormously interested in the triumvirate who appear here today because they represent some very authoritative views on a very mystical subject. When one considers, for instance, the relative infancy

of America as a country in comparison to these time-honored traditional countries it does emphasize how little we know about our neighbors and how much catching up we have to do.

FRIENDS AND PARTNERS

If anybody at random were to take a shopping list of people with whom we do business and to whom we sell any measure of arms, or defense equipment, or even technology—whether it be computers or something more related to striking capability, nuclear weaponry, it would be amazing how few times we would actually come to rescue people with whom we are doing business.

I think at the outset anyone in diplomacy, or international understanding should be able to discern that sitting down to dinner with somebody does not assure the fact that if that somebody is attacked during dinner you are going to be their ally. You can be there on a totally social basis and not as a partner, should something happen outside.

For example, I am certain that the People's Republic of China, having experienced a friendly relationship with at least two Presidents, is very worried as to who the next one might be. I am confident that the Soviet Republic is also concerned as to what change of attitude will be should there be a turnover in government.

One of the dangers of trying to arrive at conclusions here is the fact that we have 435 Members of Congress and each one expresses what he thinks is our country's posture—nothing could be farther from the truth.

For any one of us to speak out, you could certainly misread what could possibly happen. I am not trying to deal in generalities now. For example, President Ford invited four economists to come to the White House, not one of whom predicted a recession that was around the corner, not one.

I return to Harry Truman who called in some economists. You remember the old story, he said, "What is ahead?" He said, "On the one hand this might happen, on the other, this might happen." He said, "What I want is a one-armed economist." [Laughter.]

You may remember that.

ECONOMIC RELATIONS

I am of the opinion that we can have a very friendly unilateral relationship with any given country on the basis of its own merits without making us the surrogate or anointed defender beyond those perimeters. I think this could happen and should happen.

I think the breakthrough of some of our modern relationships is the result of a persistency toward an economic friendship, which I think is the ultimate goal anyhow.

I think it would be a no win situation were the United States to regard an overt war between China and Russia as an invitation for us to take sides. I think this would be very inadvisable and certainly would be inexcusable. I think we should learn also from the experience in Vietnam that surrogate wars are also not the most practical way to prove points.

So, I am very interested because I believe that coexistence is possible under certain conditions of humanity, and certainly by being a family of nations, which the U.N. is trying to be, we do not have to run out with the dogs and the shotguns every time some incident happens somewhere around the world.

I am more and more coming to the conclusion that just like the old preacher who got to point out certain sins, and when he hit on the one that hit the one fellow in the audience he said, "Now he is not preaching, he is meddling." When you get into that area where it starts to affect you, then it becomes a brand new situation.

BIPARTISAN DIPLOMACY

I prefer to listen rather than talk because I do believe that we should really reward ourselves by the depth of study and dedication that people like yourselves have given these very imponderable subjects. I think it is very important for our future's sake to know what would happen after next November, which direction we go.

The sad part about America is, as I look backward, we have a great many people in America who can predict the past beautifully, and very few who really can tell us what is around the corner. Looking backward I see where we have made enormous mistakes because depending upon even one person's judgment a maelstrom emerged because of one person's miscalculation, or misadventure, or wrong recommendation. I can point to at least one war where one person's statement started that war, without being specific.

I think this is sad because if there is one thing that is very difficult about American diplomacy it is the fact that every time we change administrations we change positions.

If we are going to ever become a community of nations on a worldwide basis, people like Mr. Wolff and those on the subcommittees and larger committees are going to have to be willing to do as was done back in the days of Vandenberg when we did have bipartisan diplomacy. That could happen again and should happen.

Mr. WOLFF. Thank you, Mr. Guyer. I might say in the nature of bipartisan foreign policy, we have been trying to get in touch with Mr. Reagan to come before this committee and ask him what his ideas are on China policy.

Mr. GUYER. He is going to come in.

Mr. WOLFF. He is?

Mr. GUYER. Yes.

Mr. WOLFF. Very good, that is very significant.

Mr. MICA. Mr. who? [Laughter.]

Mr. WOLFF. Mr. Mica.

KEEPING SECRETS

Mr MICA. Thank you, Mr. Chairman.

In fact, I might just say, speaking about raising other issues, I think, Mr. Pillsbury, your comments raise an entire new issue which is probably not germane to this committee, how our military could conduct top-secret training exercises in front of individuals from a foreign government whom I would suppose we would be protecting our secrets

from. We will not let Americans in. Who are we keeping the secrets from? That was noted in the first part of your statement.

It really does raise a question in my mind if our American people are not allowed to know, but their chief military officer sees all our secrets. I would like to follow that up.

Also, I notice in your "quotable quotes", both Mr. Barnett, I believe, and you indicated that Mr. Holbrooke felt that we have a great common interest in China because if we could make China more capable of defending its own borders.

Mr. PILLSBURY. Yes; that is right; that is in point 4.

Mr. MICA. "A China confident in its ability to defend its own borders against foreign aggression enhances stability in the Pacific," et cetera. I tend to wonder, maybe you can tell me, if the military is the basis for a great deal of our relationship, if they were confident in that ability, would they then be turning as much to us as they have? Why would they need us?

Mr. BARNETT. They are not confident in that ability.

Mr. MICA. I am saying, once they become that way, would it be your opinion—if they became confident—the very basis of the relationship that we are trying to build and what we would like to see them become, could that not be the demise of the relationship?

PROTECTING PEOPLE'S REPUBLIC OF CHINA SECURITY

Mr. BARNETT. In theory, yes—if I could respond to that—but in reality, if you want my judgment, within this century China has no realistic possibility of achieving parity with either of the super powers. So, for the foreseeable future all China can do with effort on the part of itself is to improve its sense of security in a defensive way.

However, I think it makes a difference as to how China goes about trying to protect its security. I think the present leadership is very wise in viewing some modernization of their military as necessary, but not putting this as a top priority objective even with their domestic problems because they realize they have some very fundamental economic and social problems that they have to put higher. This means that unless there is a basic change in this it is true that China is going to continue to be relatively weak.

I think, therefore, speaking as an American observer of China, that China's problems of enhancing its security over the next 10 or 20 years depends upon the entire pattern of relationships that it develops with friends, and with adversaries. I think it does need friends, and they are looking for them. But it also needs, I think, a careful look at how it deals with its major adversaries—at the present time the Soviet Union—because it is possible for a situation to arrive in which the Soviets could be provoked into action in which the Chinese would not have the capability to prevent the Soviet Union from very damaging action. I repeat that phrase "damaging action" because the Soviets are not about to invade China.

But the Soviets could be provoked into that, and the kinds of relationships that we develop could deter or provoke it. It is a very delicate matter and I think our objective should be to develop relationships that are sound and important, that have a deterrent rather than a provocative effect.

MILITARY HARDWARE

Mr. MICA. I agree with you. I am going to say that I hope we can build that relationship, but I just have a great deal of fear and concern.

Maybe some of you saw this picture of the Boeing 708 that they are constructing. In a way this is a great question in my mind. We sold them a commercial airplane, a 707, and they immediately tore it down and apparently are rebuilding it from patterns they made from the one that we sold them. It frightens me in terms of military hardware. That leads to the basis why I asked the original question.

Do you suppose that they would be willing to sign a SALT-type verification treaty that we have so often debated here? That deals with missiles, of course, but I am talking about other military items that we have provided in joint ventures, if you will, in defense. Would they be willing to go all the way in that type of arrangement to show the good faith that we have demanded, say, of the Soviets and we have not been able to work it out?

Mr. BARNETT. They are certainly not prepared to now, but I would say understandably, they are so weak, relatively speaking. If one is trying to be fair and look at all the complexities and try to put yourself in the Chinese place you have to understand that they feel so vulnerable and so far behind the Soviet Union and the United States that I think one has to expect that they are going to make an effort to try to improve their defensive military capability. I think that has to be accepted and understood.

I do not think it should be disturbing as long as this is obviously directed toward improving their defensive capability. I would hope—and incidentally, I was coauthor of a book some years ago, urging that we worked ultimately to get the Chinese into international arms control. But I think it is probably unrealistic to expect that they are going to consider it until they feel that they are somewhat more defensively strong than they are at the present time.

Mr. WHITING. I would like to pick up that point you referred to, if I might, about the Boeing. I do not think that Americans realize how much the Soviet Union has been selling China in the way of helicopters, long-range jet transport aircraft and other kinds of equipment which has military possibilities. I have flown 8,000 miles in a new Soviet jet aircraft with a 175-person capacity in China, the IL–62. Deng Xiaoping came to Paris in 1973 in a long-range Soviet jet; at that time they were not ready to fly the Boeing. The Soviet Union grants in its sales to China the kinds of defense support equipment that we have now agreed to sell China. It is really the larger context in which that equipment can be used that you ought to think about.

I would second Doak's stress upon the terrible defensive liabilities the Chinese have at the present time. So, whether they are developing a new fighter based on the Mig, or whether they are developing a transport based on the Boeing, it is not going to make a major difference in their military capacity.

NEED TO BUILD RELATIONS

Mr. MICA. I agree with what you are saying. I would simply say this: I think historically we have helped a great number of nations

come of age in the world, and every once in a while one has come of age and has come back to sting us. I think that we need—and my own position on this committee would be to build a lasting relationship and do everything we can—that we need to do everything we possibly can to look out for the possibility of creating a situation where we have let too much information out of our own control and put ourselves in a situation where it would be difficult for us.

I totally agree with the need to build this relationship. The only thing in my mind stronger is the need to look out for our own interests.

Mr. WOLFF. Mr. Hall.

CHINA'S OVERALL INTENTIONS

Mr. HALL. Thank you, Mr. Chairman.

Gentlemen, we have talked a little bit about our policies, the administration's policies, toward China. I would like to try to get some kind of understanding from you as far as what China's intentions are, or do we have a clear reading of their intentions, toward the United States and the Soviet Union?

Mr. WHITING. I would like to answer that one. First, I would underline what Doak said earlier about their military modernization being the last in their four modernizations. I think there is a priority listing with agriculture, industry, science, and technology coming first. I think China's intentions over the next 5 to 10 years can be taken at face value—that is, to build a strong and viable domestic economy that can meet the demands of a large population, that can raise living standards and provide some basis of independent technological capability. The Chinese do not want to be dependent on off-the-shelf purchases from foreign countries. They do not want to be dependent upon foreign advisers. They do not want to be dependent on sending their people overseas. If they can do something by 1990 and finish this off by the year 2000, I think that is their intention. In the meantime they want to keep their environment sufficiently stable and sufficiently peaceful so that they will not have to call upon their obsolescent military forces.

Now, I do not think we or the Chinese can see beyond 5 or 10 years in terms of their leadership, the individuals or the interests that may at that time be shaping policy.

I have been encouraged very recently by evidence of the desire to improve the Sino-Indian relationship to the point of possibly wrapping up the border dispute that has been there for more than 30 years and which erupted in small violence in 1959 and major conflict in 1962. If they can negotiate compromise settlements with their other neighbors, perhaps at the end of this decade there will not be this agenda of issues which is presently outstanding.

On the other hand, I was discouraged by the fact that when they signed the Treaty of Peace of Friendship with Japan in 1978, their Vice Premier did not concede their claim to the Senkaku Islands administered by Japan but said, "Maybe the next generation can solve this better than we can." It would have been a very small but very significant gesture to give up this claim to unpopulated rocks that lie between Taiwan and Okinawa.

Territorial issues are sensitive in all countries. They raise politics domestically and they raise nationalistic sentiments. How these will

work over time one simply does not know. So, I cannot fully answer your question about intent. They have compromised in some cases with their Mongolian neighbors and with other countries. In some cases they have held out. The islands in the South China Sea are a very good example. That is the kind of context that Mr. Barnett referred to earlier. Were the Chinese to go for further islands claimed by Vietnam, and Vietnam were to attempt to defend those islands, the Russians might have a role that they would be called upon to play—providing naval assistance to Vietnam.

So, there are no simple predictions that can be made. One can look at certain probabilities and certain limited horizons. It is because of that uncertainty that I think military modernization leaves many question marks because it will take 10 years to be effective and I frankly do not know 10 years from now what will be the Chinese posture on these outstanding issues.

Mr. HALL. Thank you.

UNITED STATES–PEOPLE'S REPUBLIC OF CHINA POLICY

Mr. WOLFF. We have now a quorum call, it is no longer a notice quorum, and though I would like to spend much more time draining you of all the knowledge that you have and your advice and counsel, I do not think we can continue on because I do not know if the other members can come back.

I would ask that if we have some questions that we might be able to submit them to you in writing and have you respond.

Just one final question, Mr. Pillsbury. Do you think we have a China policy today?

Mr. PILLSBURY. Do I think we have a China policy today? I think there are grave questions about the meaning of the official statements that the administration has made. There is enough room for interpretation, it seems to me, in the range of statements that they have made that one can very well raise the question that you have just raised.

I think it is possible, with Governor Reagan bringing up the question of the China policy even more than he already has during the campaign, maybe there will be better answers then from the Carter administration.

Mr. BARNETT. Do you have 2 minutes before your quorum call?

Mr. WOLFF. We have just 1 minute.

Mr. BARNETT. Thirty seconds is not enough. Some other time.

Mr. WOLFF. I would like in writing from each of you—to sort of pull this together—whether or not you think there is a China policy and what the China policy is. If you have an idea of what it is, I would like to know.

I might say to all of you that I think this committee does not have a monopoly on, but we have had more material printed on China policy than any other committee of the House, and we would be delighted to get copies on that.

We thank you, gentlemen, and we appreciate your helping us to try to make some decisions that will have an impact on the future.

The subcommittee stands adjourned.

[Whereupon, at 3:30 p.m. the subcommittee adjourned, to reconvene at the call of the Chair.]

THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA: ISSUES FOR THE 1980'S

TUESDAY, AUGUST 26, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS,
Washington, D.C.

The subcommittee met at 2:15 p.m., in room 2200, Rayburn House Office Building, Hon. Lester Wolff (chairman of the subcommittee) presiding.

Mr. WOLFF. The subcommittee will come to order.

Before opening the meeting today, I would like to make a short statement relative to the somewhat volatile issue that has been bandied about with reference to some recent statements.

I believe the recent controversy over what our basic semantic differences about continued relations with the people of Taiwan is as unfortunate as it is ill advised.

In the first place, it needlessly confuses the People's Republic of China as to the true intentions of the United States, in addition to confusing the American people as to the real basis of the current relationship between the United States and the People's Republic of China.

In the second place, by raising to such prominence issues which were fully debated and settled by all of the parties involved, the renewed debate does no service to the real interest of the people of Taiwan either.

Through my three missions to the People's Republic of China and close personal contact over many years with many friends on Taiwan, I have witnessed firsthand and participated in the delicate discussions which helped to clarify the difficult issues now being obscured by the present debate.

TAIWAN RELATIONS ACT

As a floor manager for the Taiwan Relations Act and as cosponsor of the so-called Kennedy-Wolff amendment on the continuing U.S. interest in Taiwan security, I can speak firsthand to the sophisticated political and diplomatic solution represented by the act as finally passed by the Congress. And I think the events of the past year have amply justified our determination that the real interests of the people of Taiwan, the People's Republic of China, and the people of the United States would be protected by law, and that our relations with both the people of Taiwan and the People's Republic of China will continue to expand and prosper.

I do think that it is important that this situation be clarified today so that there are no misunderstandings. I think instead of looking back we should continue to look forward.

Mr. PRITCHARD. Mr. Chairman, I would also like to make a statement that I don't think anyone in political life today in this country wants to turn the clock back, or could turn the clock back.

I think our course is very sure and steady. I think we have made good progress. And I would like to reaffirm, at least on this side of the table over here; that in no way does anybody from my party want to turn the clock back. We look forward to a very strong and increasingly stronger ties with the People's Republic of China.

Mr. WOLFF. Not at the expense, I am sure, of the people of Taiwan. I shoudn't even add that.

This afternoon, the Subcommittee on Asian and Pacific Affairs resumes its current series of hearings on U.S. China policy and Sino-American relations.

At our initial hearing on July 22, the subcommittee focused on the United States-People's Republic of China bilateral relationship and on concrete steps we can take to build a strong and enduring relationship with China, one capable of avoiding the radical and wrenching swings which have historically characterized our relations with that country.

BROADER STRATEGIC CONTEXT

Today, our concern is with the broader strategic context of our relationship. At a time when there is increasing public discussion over the advisability of military ties with the People's Republic of China, the subcommittee believes it imperative to address the Sino-American relationship in the context of the United States, as well as China's relations with the Soviet Union.

To set the scene for today's hearing, let me briefly and generally summarize the testimony taken at our July 22 hearing. On that occasion our witnesses were: Mr. A. Doak Barnett of the Brookings Institution; Mr. Allen Whiting of the University of Michigan's Center for Chinese Studies; and Mr. Michael Pillsbury of the Senate Policy Steering Committee.

Broadly speaking, our witnesses shared the view that, in developing our relationship with the People's Republic of China, primary emphasis should be placed on an expansion of economic, educational, scientific and cultural relations.

There was also a consensus that, while we share a common security interest vis-a-vis the Soviet Union, we also have other, divergent interests and approaches to international problems. Beyond the present level of military contacts, Mr. Barnett and Mr. Whiting cautioned against proceeding too far, too fast in the military field.

Finally, there was a general concern with a lack of clarity and definition, with the studied ambiguity in the administration's recent statements on the objective and purposes of our China policy.

TRIANGULAR RELATIONS

As I noted above, the focus of today's hearing will be on the triangular or trilateral relationship between the United States, the People's Republic of China and the U.S.S.R. And, among the key questions the subcommittee is interested in exploring this afternoon are:

One, what results can we expect our new ties with the People's Republic of China to have on the U.S.S.R.? What sort of a reaction can we expect should the United States-People's Republic of China relationship develop an increasingly military nature?

Two, bearing in mind our historic lack of understanding of China and our failure to foresee major shifts in Chinese policy, how clear of an understanding do we have on Peking's intention toward the United States and of our role in China's policy vis-a-vis the Soviet Union?

Three, can we realistically expect the Soviet Union to put aside 20 years of conflict with China and view the Sino-American relationship in a bilateral context and not directed against the U.S.S.R.?

Finally, some Pentagon officers are reported to judge that U.S. military ties with China are an important "quick fix" for the recent widely publicized strategic imbalance in East-West relations; is there an element of this kind of thinking in our current policy toward China?

Again, we will be particularly interested in the view of our witnesses with respect to the validity of the triangular relationship as a framework for the conduct of our relations with both Peking and Moscow.

Future hearings in this series are scheduled for September 17, 23, and 25.

RESOURCE BASE

In conclusion, I would announce that it is the intention of the subcommittee to use these initial hearings as a resource base from which we will conduct an intensive and extensive review of China policy and Sino-American relations during the coming 97th Congress.

With the above thoughts in mind, we welcome today's witnesses, the Honorable Malcolm Toon, former U.S. Ambassador to Moscow; the Hon. Raymond Garthoff, former U.S. Ambassador to Bulgaria; Dr. Vladimir Petrov, Sino-Soviet Institute, George Washington University; and Mr. Banning Garrett, Research Associate, Institute of International Studies, University of California at Berkeley.

Gentlemen, if you don't mind summarizing your testimony, without objection your entire statement will be included in the record.

And we turn to you Ambassador Toon.

STATEMENT OF HON. MALCOLM TOON, FORMER U.S. AMBASSADOR TO MOSCOW

Mr. TOON. Thank you, Mr. Chairman.

It is always a privilege, if somewhat a chore, to be here before your congressional committee, and I appreciate the invitation to express my views on this very important topic.

As you know, Mr. Chairman, I have no formal written statement, nor do I have even a formal oral statement. I think you should understand, after 11 years as an Ambassador with access to a fairly sizable, talented staff and with competent secretarial help, I find myself now somewhat handicapped when I'm called upon to present a formal statement, a formal text of remarks, or speeches, or testimony or what have you. And while I have from time to time called upon my good wife for assistance, I must say in all frankness she is not enchanted by this sort of task nor enamored of it. So I call upon her only when absolutely necessary and as infrequently as possible.

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So I hope you will bear with me, Mr. Chairman and your colleagues, if I confine my remarks to a few brief informal observations based on some notes that I have scratched out and reserve most of my time for questions from you and your colleagues in the time allotted to me.

If that is agreeable to you, Mr. Chairman, I will proceed with a few observations.

Mr. WOLFF. Please proceed.

FOR NORMALIZATION

Mr. TOON. First, let me make clear at the outset that while I have some reservations about the way this administration has gone about the business of normalizing our relations with China—reservations which I gather from your statements, Mr. Chairman, you share, at least to a degree, in part—but despite my reservations, I have been and am a firm supporter of the decision on normalization.

For years it made no sense to me as a Foreign Service officer to isolate ourselves from the world's most populous nation and potentially one of the world's superpowers. And this, frankly, was the view of most Foreign Service officers, at least those with whom I was well acquainted, despite the inroads on the Foreign Service made by the perniciousness and the excesses of the McCarthy era.

But this, to have a rational policy toward China, not any desire to tweak the bear's nose by the so-called playing of the "China card," was the principal reason for my recommendation for and support of a policy of normalized relations with the Chinese.

In fact, from the outset I have felt strongly, and I so recommended from Moscow when I was Ambassador there, that we follow a policy of strict even-handedness in dealing with the Soviets and the Chinese in all aspects of our relationship. When I say all aspects, I mean all—trade, including most-favored-nation treatment, and technology transfer; strategic considerations, including arms supplies; foreign policies, including equal condemnation of misbehavior abroad; human rights, including balanced treatment of violations wherever they may occur.

DEVIATING FROM EVEN-HANDED POLICY

I think the record shows clearly that despite our announced intention to be even-handed in our approach to the Soviets and Chinese, and despite our private assurances to this effect to the Soviets, we have seriously deviated from this policy.

We have accorded most-favored-nation (MFN), treatment, as you know, to the Chinese but not to the Soviets. And while it is true that we managed to wrest from the Chinese some sort of understanding, which as yet is not clear to me, to satisfy the requirements of the Jackson-Vanick amendment or legislation, I feel this is largely cosmetic and not of real substance.

We have licensed technology for the Chinese, which has been traditionally banned to the Soviets. We have remained singularly silent about violations of human rights in China, and I think it is generally recognized they have been massive down through the years; and at the same time we have blasted the Soviets for their treatment of their dissidents, and rightly so.

And now it seems we plan to sell arms to the Chinese. It is claimed by Mr. Brown and others that these will be defensive arms, but even with my 5 years in the Navy in World War II, I have never understood the subtleties of distinguishing between offensive and defensive arms.

It seems to me if we start down this road, we don't really know where the end will be. And I think frankly, we ought to be very careful indeed about taking this route.

Now, please don't misunderstand me. I think all of you know from my record I would never recommend being lax with the Soviets, either by giving them weapons or vital technology, or by forgiving them their sins.

SHOULD NOT FAVOR PEOPLE'S REPUBLIC OF CHINA

I think it is clear from what I have said publicly and from my private recommendations from Moscow that I oppose doing anything that would strengthen the military potential of the Soviets, for I believe strongly they are avowed enemies of everything we stand for. And it is equally clear from what I have said that I believe we should expose and condemn their misbehavior and penalize them for their misdeeds when it is not contrary to our own interests to do so and when we can muster appropriate support by our friends and allies.

But I do not think it serves our purposes or our interests or those of the free world to raise the suspicions and the hackles of Moscow by according favored treatment to their sworn enemy, the Chinese.

There are important reasons why this is so, and certainly one of them is not that I feel compunction about offending the Soviets or even, frankly, going back on our word with Moscow. I've always maintained that if, in fact, we find one of the commitments we may have made to the Soviet Union no longer in our basic national interest, I hope we would have the guts to back away from that commitment. So therefore, I'm not particularly disturbed about going back on our word to Moscow.

But I do feel that when we do so we should be clear in our own minds that we are in a real sense advancing our basic national interests and not indulging in a sophomoric desire to tweak the bear's nose.

We must recognize first that the Soviets are so paranoid about China that if they felt we were developing a tight political relationship with Beijing, as the capital is now called, with possible military overtones and targeted on Moscow, they would be perfectly capable of doing something irrational.

And second, that in the long run a Chinese nation of 1½ billion people with a developed economy and a powerful military machine may very well represent as much of a threat to our basic interests as the Soviets do now.

That is what I wanted to say more or less in a formal way, Mr. Chairman. I would be glad now to try to answer any questions that you might have.

Mr. WOLFF. Thank you very much, Ambassador .

What we plan to do is to have the statements of all of the individuals first, and then ask you to participate as a panel.

I would like to welcome Dr. Garthoff and ask if you will make your statement.

Sir, if you will summarize, we would appreciate it so that we can get time for questions. The entire statement will be included in the record.

STATEMENT OF HON. RAYMOND GARTHOFF, FORMER U.S. AMBASSADOR TO BULGARIA

Mr. GARTHOFF. Thank you, Mr. Chairman. I will condense to about 10 minutes my remarks.

I am very pleased to participate in your hearings, and I welcome the attention you are giving to the connection between American-Chinese relations and our relations with the Soviet Union.

I should like, at the outset, to state my own belief that it was in the interests of the United States to establish diplomatic relations with the People's Republic of China, and that it remains in our interest to develop those ties on a basis of mutual advantage, recognizing areas of congruent interests but also other areas of differing and sometimes conflicting interests.

Parenthetically, I am prompted to remark that it would be most unfortunate if a succeeding administration were even inadvertently to prejudice American relations with the People's Republic of China owing to sentimental or thwarted past preferences for some other relationship than the one quite satisfactorily devised to govern our relationship with Taiwan.

It is appropriate, indeed necessary, that we weigh the impact of American-Chinese relations on our relations with the Soviet Union. But in the first instance they should rest on a foundation of considered interests vis-a-vis China.

PLAYING THE CHINA CARD

A great deal has been said about the United States "playing the China card" against the Soviet Union. To couch our China policy predominantly in terms of impact on the Soviet Union would be unsound. So would be any effort to play off China and the Soviet Union against one another. What is appropriate is to take into account implications of our China policy vis-a-vis the Soviet Union, and vice versa.

Given that the Soviet Union is the only power in the world at present capable of posing a vital threat to the United States, we rightly give special importance to any situation which could affect our security interests in the adversary relationship which exists between the Soviet Union and the United States.

To the extent that the Soviet Union sees a normalized and friendly relationship, it may be restrained in some actions. There is however, a fine line between developments in Sino-American tries which serve to deter adverse Soviet actions, and those which provoke them. I am not speaking merely of what the Soviet leaders like or dislike, but about developments which, as Ambassador Toon remarked, they may see as hostile and as threatening to their security, requiring a Soviet response. And it is in this respect that I believe our previously sound China policy has become unbalanced over the past year, a point to which I shall return presently.

We should recognize that the area within which the United States can influence the Sino-Soviet relationship is limited. We did not know-

ingly or in any important way contribute to the rift between the two powers, and we should not assume that we could manipulate it even if we wished to.

But we can and do affect the implications of Sino-Soviet conflict for ourselves, whether we always appreciate these effects or not. And that is where it becomes particularly important to take account of Soviet perceptions of the Sino-American relationship, and especially of the motivations they ascribe to us, as well as their judgment of the consequences of particular developments in Sino-American relations.

During the early development of an era of détente and negotiations between the United States and the Soviet Union, which seems now a very long decade ago, it is quite likely that one factor inducing the Soviet leaders to pursue such a path was the deterioration in Sino-Soviet relations.

The border clashes on the Manchurian and Mongolian borders of Siberia in 1969 coincided with the first moves in Soviet-American relations. Perhaps coincidentally, but even if so symbolically, the Moscow announcements of forthcoming initial Soviet-American SALT negotiations, and of Sino-Soviet border talks, were made on the same day in October 1969. And Soviet threats in 1969 to strike Chinese nuclear facilities may have contributed to Chinese decisions to normalize relations with the United States.

SECRET CONTACTS

Direct secret United States-Chinese contacts began in December 1969. In 1970, the Soviet Union sought unsuccessfully to conclude an agreement with the United States directed against China if the latter were to engage in surreptitious military actions designed to provoke a conflict between the United States and U.S.S.R. Whether the Soviets were really concerned over such a contingency, or saw such an agreement with the United States as useful in blocking a Sino-American rapprochement, is not entirely clear. In any case it was rejected, as had been earlier probes in 1969 of possible joint action to neutralize Chinese nuclear facilities.

Turning now to the more recent past and current situation, much has happened in the period since the negotiation and establishment of fully diplomatic relations with the People's Republic of China a year and a half ago. Without making a comprehensive review, it may be useful to note some salient developments, with a particular eye on Soviet perceptions of American objectives and actions.

Despite direct American assurances to Moscow in 1978 and 1979, and, indeed, ever since 1969, that our improving relations with China were not directed against the Soviet Union, Soviet suspicions have remained. These suspicions have grown since May 1978, when Dr. Brzezinski, visiting Peking, spoke rather openly of baiting "the Polar bear" to the north.

The development of closer ties between Japan and China, encouraged by the United States—quite wisely, in my view—also aggravated their concern over Sino-American ties. A new and more ominous global "encirclement" of the Soviet Union was seen. This was also exacerbated by other developments, including Soviet fears of the possibility of American and Chinese acquisition of a foothold in Afghanistan.

Of particular importance was the impact on Moscow of the conjunction of moves at the end of 1978 and beginning of 1979. First of all, not only did the United States move to establish full diplomatic relations with China, but it did so at a time and in a way which gave precedence to that action over the conclusion of the SALT II treaty and scheduling of an American-Soviet summit meeting.

DENG VISIT

The visit of Deng Xaioping to the United States in January 1979 was of particular moment because of his hints during the visit of a Chinese attack on Vietnam to "teach them a lesson"—an event which did occur in February. The U.S. opposed the Chinese invasion, and attempted privately in advance to dissuade the Chinese from it. We did not, however, consult with the Soviets on this impending threat to the peace.

Some Soviet commentary, probably for propaganda purposes, claimed or implied American collusion in the Chinese attack, but the real Soviet judgment probably was that the Chinese had successfully used the Deng visit to neutralize American opposition and to convey an impression of American support which Moscow understood we did not really give.

At the same time, the Sino-American rapprochement did pose real uncertainties to Moscow on how the United States would react if the Soviet Union were to meet the Chinese attack on Vietnam, a Soviet ally, by a similar measured Soviet military move against China.

In that sense, it may have helped deter such a Soviet move. But it left Moscow concerned at the Sino-American tie as a hostile development which at least China, if not also the United States, might exploit in other ways as well against Soviet interests. The Chinese, in other words, were playing "the American card" against U.S.S.R.

PEOPLE'S REPUBLIC OF CHINA INCURSION INTO VIETNAM

The Chinese incursion into Vietnam, which China indeed may have considered safer to undertake after establishing American ties, clearly had a number of adverse effects on American interests. The Vietnamese tie to Moscow was strengthened, and Soviet use of military bases in Vietnam was increased. The United States was put in the position of a semi-ally of China and of Pol Pot's Kampuchea. Risks of a Soviet-Chinese direct conflict grew. And Soviet suspicions and concerns over the Sino-American rapprochement grew greatly.

During the months following the Chinese attack on Vietnam, Sino-American relations, especially economic ties, continued to develop on a broad scale. Many high level visits took place. The development which most alarmed Moscow was Vice President Mondale's statement, during his visit to China in August 1979, referring to "parallel" American and Chinese "strategic interests," particularly in view of what has happened in 1980.

The United States did seek initially to maintain a balance in its relations with China and the Soviet Union, and adopted an "even-handed" approach, aimed at extended equal trade and other privileges—and restrictions—to both major Communist powers.

But, as Ambassador Toon noted, during 1979, as American-Soviet relations continued to deteriorate, we abandoned in practice the even-handed approach. By December we granted most-favored-nation (MFN) trade status to China, but not to the Soviet Union, despite statements only months earlier of our intention to couple them.

These developments were noted by Moscow with deepening suspicion. Meanwhile, despite these developments, the Chinese believed that we were not doing enough to support them and to counter the Soviet Union. Seeing their interests best served by bad relations between the United States and U.S.S.R., they opposed such moves as the Carter-Brezhnev summit, the SALT II Treaty, and the continuing MBFR and CSCE negotiations in Europe.

SHARP TURN IN U.S. POLICY

The sharp turn in American policy following the Soviet occupation of Afghanistan reinforced all those tendencies. Secretary of Defense Brown's visit to Peking—when no American Secretary of Defense has ever visited Moscow—set the tone. The visit had been scheduled before Afghanistan, but some of the statements made during that visit, and especially ensuing developments, marked a further U.S. turn to closer Chinese ties, and to evident efforts to coordinate actions counter to the Soviet Union.

In particular, the decision to provide a range of military equipment to China contravened our own stated policy position of just months earlier. Moscow could not fail to see this as development of an anti-Soviet coalition, just as they had earlier suspected and feared.

Most striking of all was the enormous difference in American reaction to the partially parallel Chinese and Soviet military interventions that opened and closed the year. When Communist China invaded Communist Vietnam with several hundred thousand men in February 1979, the U. S. deplored the act but proceeded at that very time with a visit by Secretary Blumenthal and the expansion of Sino-American economic ties.

In January 1980 the United States reacted to the Soviet military occupation of Communist Afghanistan in late December by a punitive policy including sharp curtailment of a wide range of political, economic and cultural relations with the Soviet Union.

To be sure, there were significant geopolitical differences in these two situations, and I do not suggest our reaction should necessarily have been the same. But from Moscow's perspective, the United States was not only applying a double standard to the Soviet action as compared, in their eyes, with some past American actions, but even as compared with China.

RECOMMENDATIONS

In concluding, I should like to make briefly six recommendations:

One, American policy toward China should be based primarily on American interests vis-a-vis China, with clear recognition of areas of common or congruent interests, and other areas of diverging and opposing interests.

Two, the United States should take account of Soviet sensitivities in framing our relationship to the People's Republic of China, and vice

versa, but we should be guided by our own interests—which include not permanently alienating again either the U.S.S.R. or People's Republic of China.

Three, the United States should not try to play a "China card" against the U.S.S.R., not only because that exacerbates United States-Soviet relations, but also because it distorts United States-Chinese relations; if and as we are able again to improve American-Soviet relations, we might then antagonize and disillusion the Chinese over our relationship with them.

Four, China is not an ally of the United States and we should not become an ally of the People's Republic of China. When we have common interests, our pursuit of them will come naturally, but we should not enter into commitments or alinement.

Five, the United States should not build up Chinese power—in particular military power—because of the implied commitment, because it would unnecessarily provoke the Soviet Union, because it would orient Chinese development away from needed economic pursuits, and because Chinese interests differ from our own and the Chinese may sometime use this power in ways detrimental to American interests.

Finally, the United States should return to a balanced policy of even-handedness toward the Peop'e's Republic of China and the U.S.S.R. The United States may curtail or suspend some benefits to one or the other owing to actions we regard as objectionable, as we did following the Soviet occupation of Afghanistan, but our basic policy should remain one of desiring equal good relations with both powers when and to the extent their actions allow. Both should be treated on an equal basis so long as their policies justify it, for example, MFN, equal COCOM restrictions. Curtailing or withholding benefits from one power, however, should not mean tipping the balance and granting premium benefits above the common equal standard to the other. The United States not only imposed penalties on the U.S.S.R. in 1980, we also made a "tilt" toward the People's Republic of China which unbalanced our own stance, which was not in our interests.

[Mr. Garthoff's prepared statement follows:]

PREPARED STATEMENT OF HON. RAYMOND GARTHOFF, FORMER U.S. AMBASSADOR TO BULGARIA

THE SINO-AMERICAN RELATIONSHIP FROM THE SOVIET PROSPECTIVE: IMPLICATIONS FOR U.S. POLICY

Mr. Chairman, I am very pleased to participate in your hearings, and I welcome the attention you are giving to the connection between American-Chinese relations and American relations with the Soviet Union.

I should like, at the outset, to state my own belief that it was in the interests of the United States to establish diplomatic relations with the People's Republic of China, and remains in our interest to develop those ties on a basis of mutual advantage, recognizing areas of congruent interests, but also other areas of differing and sometimes conflicting interests. It is appropriate, indeed necessary, that we also weigh the impact of American-Chinese relations on our relations with the Soviet Union, but in the first instance they should rest on a foundation of considered interests vis-a-vis China.

A great deal -- indeed, too much -- has been said about the United States "playing the China card" against the Soviet Union. To couch our China policy predominantly in terms of impact on the Soviet Union would be unsound. So would be any effort to play off China and the Soviet Union against one another. What is appropriate is to take into account implications of our China policy vis-a-vis the Soviet Union, and vice-versa.

Given that the Soviet Union is the only power in the world at present capable of posing a vital threat to the United States, we rightly give special importance to any situation which could affect our security interests in the adversary relationship which exists between the Soviet Union and the United States. The rift between the two principal Communist powers which erupted two decades ago was, without doubt, a development of great importance and advantage to our own security interests. The full implications of this fact were, regrettably, not clear to policy-makers in the time of our deepening involvement in Vietnam. They were, however, among the considerations which led the last three administrations to restore normal diplomatic relations between the United States and the People's Republic of China. (Parenthetically, I am prompted to remark that it would be most unfortunate if a succeeding administration were even inadvertently to prejudice American relations with the PRC owing to sentimental or thwarted past preferences for some other arrangement than the one quite satisfactorily devised to govern our relationship with Taiwan.)

More bluntly, it is in American interests for the rift between the Soviet Union and the People's Republic to continue. It would not, however, serve our interests if the conflict between those two powers were to erupt in war. The Sino-Soviet conflict affects American interests, for example, by leading the Soviet Union to station about one-fourth of its conventional and theater nuclear military power oriented against China. If those forces were not so deployed, they (or the resources they represent) would be available for commitment elsewhere. Beyond that, to the extent that the Soviet Union sees a normalized and friendly Sino-American relationship, it may be

restrained in some actions. There is, however, a fine line between developments in Sino-American ties which serve to deter adverse Soviet actions, and those which may provoke them. I am not speaking merely of what the Soviet leaders like or dislike, but about developments which they may see as hostile and as threatening to their security, requiring a Soviet response. And it is in this respect that I believe our previously sound China policy has become unbalanced over the past year, a point to which I shall return presently.

We should recognize that the area within which the United States can influence the Sino-Soviet relationship is limited. We did not knowingly or in any important way contribute to the rift between the two powers, and we should not assume that we could manipulate it even if we wished to. But we can and do affect the implications of Sino-Soviet conflict for ourselves, whether we always appreciate these effects or not. And that is where it becomes particularly important to take account of Soviet perceptions of the Sino-American relationship, and especially of the motivations they ascribe to us, as well as their judgment of the consequences.

During the early development of an era of detente and negotiations between the United States and the Soviet Union, which seems now a very long decade ago, it is quite likely that one factor inducing the Soviet leaders to pursue such a path was the deterioration in Sino-Soviet relations. The border clashes on the Manchurian and Mongolian borders of Siberia in 1969 coincided with the first moves in Soviet-American relations. Perhaps coincidentally, but even if so symbolically, the Moscow announcements of forthcoming initial Soviet-American SALT negotiations, and of Sino-Soviet border talks, were made on the same

day in October 1969. And Soviet threats in 1969 to strike Chinese nuclear facilities may have contributed to Chinese decisions to normalize relations with the United States. Direct secret U.S.-Chinese contacts began in December 1969. In 1970, the Soviet Union sought unsuccessfully to conclude an agreement with the United States directed against China if the latter were to engage in surreptitious military actions designed to provoke a conflict between the U.S. and the USSR. Whether the Soviets were really concerned over such a contingency, or saw such an agreement with the U.S. as useful in blocking a Sino-American rapprochement, is not entirely clear; in any case it was rejected, as had been earlier probes in 1969 of possible joint action to neutralize Chinese nuclear facilities.

Turning now to the more recent past and current situation, much has happened in the period since the negotiation and establishment of full diplomatic relations with the PRC a year and a half ago. Without making a comprehensive review, it may be useful to note some salient developments, with a particular eye on Soviet perceptions of American objectives and actions. Despite direct American assurances to Moscow in 1978 and 1979 (and, indeed, ever since 1969) that our improving relations with China were not directed against the Soviet Union, Soviet suspicions have, perhaps naturally, remained. These suspicions have grown since May 1978, when Dr. Brzezinski visiting Beijing and spoke rather openly of baiting "the Polar bear" to the north. The development of closer ties between Japan and China, encouraged by the United States (quite wisely, in my view), also aggravated their concern over Sino-American ties. A new and more ominous global "encirclement" of the Soviet Union was seen. This was also exacerbated by other

developments including Soviet fears of the possibility of American and Chinese acquisition of a foothold in Afghanistan, as the Marxist regime there had increasing difficulties in attempting to exert control from late 1978 to the end of 1979 and the direct Soviet military intervention.

Of particular importance was the impact on Moscow of the conjunction of moves at the end of 1978 and beginning of 1979. First of all, not only did the United States move to establish full diplomatic relations with China, but it did so at a time and in a way which gave precedence to that action over the conclusion of the SALT II treaty and scheduling of an American-Soviet summit meeting. (Indeed, the subsequent delay in concluding SALT II, though the chain of events could not have been foreseen at that time, may have been fatal to the treaty.) The visit of Deng Xaioping to the United States in January 1979 was of particular moment because of his hints during that visit of a Chinese attack on Vietnam to "teach them a lesson" -- an event which did occur in February. The United States opposed the Chinese invasion, and attempted privately in advance to dissuade the Chinese from it. (We did not, however, consult with the Soviets on this impending threat to the peace.) Some Soviet commentary, probably for propaganda purposes, claimed or implied American collusion in the Chinese attack, but the real Soviet judgment probably was that the Chinese had successfully used the Deng visit to neutralize American opposition and to convey an impression of American support which Moscow understood we did not really give. At the same time, the Sino-American rapprochement did pose real uncertainties to Moscow on how the United States would react if the Soviet Union were to meet the Chinese attack on Vietnam, a

Soviet ally, by a similar measured Soviet military move against China. In that sense, it may have helped deter such a Soviet move. But it left Moscow concerned at the Sino-American tie as a hostile development which at least China, if not also the United States, might exploit in other ways as well against Soviet interests. The Chinese, in other words, were playing "the American card" against the USSR.

The Chinese incursion into Vietnam, which China indeed may have considered safer to undertake after establishing American ties, clearly had a number of adverse effects on American interests. The Vietnamese tie to Moscow was strengthened, and Soviet use of military bases in Vietnam was increased. The United States was put in the position of a semi-ally of China and of Pol Pot's Kampuchea. Risks of a Soviet-Chinese direct conflict grew. And Soviet suspicions and concerns over the Sino-American rapprochement grew greatly.

During the months following the Chinese attack on Vietnam, Sino-American relations continued to develop on a broad scale. Economic ties developed. Many high level visits took place. The development which most alarmed Moscow was Vice President Mondale's statement, during his visit to China in August 1979, referring to "parallel American and Chinese strategic interests."

The United States did seek initially to maintain a balance in its relations with China and the Soviet Union, and adopted an "even-handed" approach, aimed at extending equal trade and other privileges -- and restrictions -- to both major Communist powers. But during 1979, as American-Soviet relations continued to deteriorate, we abandoned in practice the even-handed approach. By December we granted Most Favored Nation (MFN) trade status to China, but not to the Soviet Union,

despite statements only months earlier of intention to couple them. These developments were noted by Moscow with deepening suspicion. Meanwhile, despite these developments, the Chinese believed that we were not doing enough to support them and to counter the Soviet Union. Seeing their interests best served by bad relations between the U.S. and the USSR, they opposed such moves as the Carter-Brezhnev summit, the SALT II Treaty, and the continuing MBFR and CSCE activities. China opposed detente between the Western Powers and the Soviet Union.

The sharp turn in American policy following the Soviet occupation of Afghanistan reinforced all these tendencies. Secretary of Defense Brown's visit to Beijing -- when no American Secretary of Defense has ever visited Moscow -- set the tone. The visit had been scheduled before Afghanistan, but some of the statements made during that visit and ensuing developments marked a further U.S. turn to closer Chinese ties, and to evident efforts to coordinate actions counter to the Soviet Union. In particular, the decision to provide a range of military equipment to China contravened our own stated policy position of just a year earlier. Moscow could not fail to see this as development of an anti-Soviet coalition, just as they had earlier suspected and feared.

Most striking of all was the enormous difference in American reaction to the partially parallel Chinese and Soviet military interventions that opened and closed the year. When Communist China invaded Communist Vietnam with several hundred thousand men in February 1979, the United States deplored the act but proceeded at that very time with a visit by Secretary Blumenthal and the expansion of

Sino-American economic ties. In January 1980 the United States reacted to the Soviet military occupation of Communist Afghanistan in late December by a punitive policy including sharp curtailment of a wide range of political, economic and cultural relations with the Soviet Union. To be sure, there were significant geopolitical differences in the two situations, and I do not suggest our reaction should necessarily have been the same. But from Moscow's perspective, the United States was not only applying a double standard to the Soviet action as compared (in their eyes) with some past American actions, but even as compared with China!

In concluding, I shall like to make several recommendations.

1. American policy toward China should be based primarily on American interests vis-a-vis China, with clear recognition of areas of common or congruent interests, and other areas of diverging and opposing interests.

2. The United States should take account of Soviet sensitivities in framing our relationship to the PRC, and vice versa, but we should be guided by our own interests -- which include not permanently alienating again either the USSR or the PRC.

3. The United States should not try to play a "China card" against the USSR, not only because that exacerbates U.S.-Soviet relations, but also because it distorts U.S.-Chinese relations; if and as we are able to improve American-Soviet relations, we might then antagonize and disillusion the Chinese over our relationship with them.

4. China is not an ally of the United States and we should not become an ally of the PRC. When we have common interests, our pursuit of them will come naturally, but we should not enter into commitments or alignment.

5. The United States should not build up Chinese power -- in particular military power -- because of the implied commitment, because it would unnecessarily provoke the Soviet Union, because it would orient Chinese development away from needed economic pursuits, and because Chinese interests differ from our own and the Chinese may sometime use this power in ways detrimental to American interests.

6. The United States should return to a balanced policy of even-handedness toward the PRC and the USSR. The U.S. may curtail or suspend some benefits to one or the other owing to actions we regard as objectionable, as we did following the Soviet occupation of Afghanistan, but our basic policy should remain one of desiring equal good relations with both powers when their actions allow. Both should be treated on an equal basis so long as their policies justify it (e.g., MFN, equal COCOM restrictions). Curtailing or withholding benefits from one power, however, should not mean tipping the balance and granting premium benefits above the common equal standard to the other. The United States not only imposed penalties on the USSR in 1980, we also made a "tilt" toward the PRC which unbalanced our own stance, and which was not in our interests.

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Mr. WOLFF. Thank you very much, Mr. Ambassador.
We will now proceed.
Dr. Petrov.

STATEMENT OF VLADIMIR PETROV, INSTITUTE FOR SINO-SOVIET STUDIES, GEORGE WASHINGTON UNIVERSITY

Mr. PETROV. Mr. Chairman, let me start by admitting my biases in regard to international affairs. I consider every government in effective control of a country as a legitimate interpreter of that country's national interest; the morality or immorality of its internal and external policies is outside the scope of my professional preoccupations. I accept power politics as a fact of life but I am also aware that political problems can rarely be solved by military means and that dynamic security policies severely tax the nation's economic and political resources and strain allied relationships. I do not regard threats of war, especially nuclear war, as a viable means of resolving United States-Soviet differences. Such threats create a credibility gap resulting in an unhealthy urge to fill it by ever greater threats or by some action for the sake of action. I believe that major nations are doomed to coexist with each other whether they like it or not, and that no nation can obtain total security. In my view, the principal threat to international order and to our prosperity in the years ahead is posed by volatile politics in Third World nations and by various regional conflicts which great powers will be unable to control either separately or in concert. Finally, in discussing policy implications for the United States I lean heavily toward what is feasible and try to keep in mind long-range consequences of actions aimed at resolving crises at hand.

MOSCOW SECURITY CONCERNS

In addressing the subject of my testimony, Soviet perceptions of United States-People's Republic of China relations, I shall focus on Moscow's security concerns. But I bear in mind that such concerns cannot be divorced from the basic political attitudes and what we may call the "personality" of the Soviet Government in the conduct of its foreign policies, both of which are firmly rooted in Soviet historic experiences. The principal Soviet strategic objective in the last 25 years has been to frustrate the American strategy of "containment," which calls for drawing the line of resistance to the Soviets as close as possible to their borders. In pursuit of this objective, the Soviets have cultivated relations with nonalined nations with pronounced anti-Western coloration; they supported national-liberation movements in former European colonies; and they tried to hold together their alliance system, whose members profess to be "socialist" in their internal makeup. The expansion of this alliance system, purportedly supporting Soviet assertions that the correlation of forces in the world has been shifting toward socialism, has also formed the foundation of the Soviet claim to being a global power rivaling the United States.

KEEPING ENEMY OFF BALANCE

Exaggerating their strengths and downplaying their weaknesses has long been a Soviet means of keeping the "enemy" off balance in order to gain time for building up actual power and for enhancing

Soviet security. The appearance of Communist unity helped to create, in the 1950's, the image of Communist monolith, which was so menacing to us that it paralyzed our political initiatives and made the artificial concept of a bipolar world dominate our strategic thinking. One result was that in our preoccupation with the expansion of Soviet influence we saw any shift to the left in any country's politics as a threat to our vital interests. Another result was that we have come to regard the size of our strategic arsenal as a decisive measure of American power.

The Communist monolith, if it ever existed, disintegrated more than 15 years ago when the People's Republic of China, by far the most important Soviet ally, hated and feared in the United States since the Korean war, asserted its independence from Moscow and assumed an unmistakably anti-Soviet posture. This change was of enormous significance to the Soviets. Instead of a powerful friend, seen as an extension of Soviet power, they acquired an enemy whom they perceived to be threatening the physical security of the Soviet Union. Those of us who remember the agitation in this country over Castro's revolution in Cuba, "only 90 miles from our shores," during the 1960 Presidential campaign, or even the recent excitement over the presence of a "Soviet brigade" in Cuba, may only marvel at the relative composure with which the Soviets have adjusted to the China menace.

Given their perception of China and their mode of dealing with recalcitrant junior allies, there was nothing the Soviets could do to prevent China's defection. Because of Mao's vigilance, they had no means to manipulate internal Chinese politics. The harsh economic sanctions which they imposed in order to break China's will produced opposite results in spite of the weak international position of the People's Republic of China, and their attempts to isolate it in the Communist world also failed. In 1969, the Soviets briefly considered the possibility of a military action but dismissed it: China was no Hungary or Czechoslovakia. In time, Moscow accepted the reality of China's alienation, leaving the door for reconciliation formally open and praying that the United States, then engrossed in the Vietnam war, wouldn't take advantage of the virtual breakdown of the "socialist system." By posting sizable military forces along the border as a deterrent, they reduced the Chinese threat to a controllable level. We can also assume that conflict with the People's Republic of China provided additional impetus to the Soviet strategic buildup.

UNITED STATES-SOVIET DÉTENTE

With the launching of United States-Soviet détente in 1972, the Soviets hoped that the concurrent United States-People's Republic of China rapprochement would not lead to an American-Chinese entente. These hopes were based on our presumed concerns for the security of Taiwan and the ASEAN states and on the assumption of the primacy of relations with the Soviet Union in American foreign policy. The subsequent developments have demonstrated that Soviet calculations were erroneous. As the post-Vietnam syndrome wore out, the latent American determination to regain the claim to world leadership—inevitably measured in opposition to the Soviet Union—asserted itself. While United States-Soviet relations deteriorated, United States-Peo-

ple's Republic of China grew more cordial, ultimately resulting in normalization in December 1978.

As seen from Moscow's vantage point, the Chinese are succeeding in achieving their basic foreign policy objective, that of maintaining a high level of tension between the United States and the Soviet Union. After the People's Republic of China, under Stalin's pressure, intervened in the Korean war, it became an international outcast, wholly dependent on the Soviet Union for its security and economic assistance. Having learned the painful lesson, the Chinese in the late 1950's tried to gain room for diplomatic maneuver by pushing the Soviets toward confrontation with the United States. Their attempts to frustrate the Soviet policy of "peaceful coexistence" with the United States—not unreasonably perceived in Peking as designed to exclude the People's Republic of China from playing an active role in world affairs—have been a cause of great irritation in Moscow. China's refusal to be drawn into the Vietnam war, in which they saw the Soviets pitted against the United States, the anti-Soviet thrust of the "cultural revolution," and the territorial disputes led to a complete break between the Communist giants. In the 1970's, as we know, the People's Republic of China shifted to the U.S. side by making a common cause with those forces in this country which, in the face of the general weakening of the American international position, sought to play the "China card" against the Soviet Union.

RESISTING MANIPULATION

The Soviets fully anticipate that the Chinese will resist American attempts to manipulate them, just as they resisted similar Soviet attempts. The expectation in Moscow is that it will be the People's Republic of China which will increasingly influence U.S. policies as, in our anxieties and frustrations, we become more dependent on Peking's friendship and goodwill. The Soviets see the Chinese as providing a sense of direction for U.S. strategy in East Asia and elsewhere, while retaining a maximum flexibility for themselves.

In countering the danger of the emerging United States-People's Republic of China coalition, the Soviets increased their support of Hanoi in its ambition to dominate Indochina, and in the process to deprive the People's Republic of China of one of its few allies. Pol Pot's Democratic Kampuchea. We may also assume that the Soviets sent their troops to Afghanistan out of fear that that client state might fall into hostile hands as a result of internal disorders aggravated by covert operations carried out of Pakistan, the principal ally of the People's Republic of China. The prospect of the neutralization of Pakistan itself, currently a major Soviet objective, is a major cause of worry to China.

A longer range Soviet goal is to exploit the growing strains in the American security system. Just as the confrontational policies of the Carter administration have brought China closer to the United States, the same policies have accounted for a weakening of our influence in Western Europe and Japan. None of our allies follows Carter's tough line, be it against Iran or against the Soviet Union; nor do they want to have any part in our strategic undertakings in the Middle East. Although they welcome a prospect of a stronger China counterbalanc-

ing the Soviet Union, in no sense do they regard it as a partner, capable and willing to coordinate its foreign policy with the West or to integrate with capitalist democracies in social and economic terms. Such attitudes offer the Soviets certain opportunities for diplomatic initiatives aimed at reducing the impact of the United States-People's Republic of China entente on Soviet security, opportunities likely to increase if Ronald Reagan is elected President of the United States.

SUPERPOWER CONFRONTATION

In my considered opinion, a direct superpower confrontation pointing to a military showdown cannot advance interests of this Nation. In spite of all the scary and not very responsible war talk and greater outlays for defense, we do not really intend to fight a nuclear war, limited or otherwise, risking the lives of millions of Americans; and we certainly are not equipped to wage a conventional war against the Soviet Union, either by ourselves or together with the Chinese. Such a war, be it in Europe or in the Middle East, is bound to escalate and no nation, including China, is going to follow our lead to holocaust. Short of war, the economic and political costs to this Nation of pursuing a global strategy of "containing" Soviet expansionism—whatever that means—are enormous and, in a long run, unsustainable. On top of it, even if we forge a security link with the Chinese while somehow succeeding in preserving our existing alliances, there is absolutely no reason to expect that a greater projection of American power will induce the Soviets to mend their ways to our liking.

To sum up, I believe that in the 1980's the circumstances will force us to redefine our national interest more modestly, and that we will have to focus less attention on the Soviets and more on the areas of critical importance for this country's well-being. I also hope that we will come to understand that advancing stability in the world through constructive economic and political policies is likely to serve our interests better than ill-conceived and destabilizing arms transfers, development of yet another and another weapons system, and resorting to intimidation of friend and foe alike as a major method of our foreign policy.

FRIENDLY UNITED STATES-PEOPLE'S REPUBLIC OF CHINA RELATIONS

With regard to China, I feel that a friendly and cooperative relationship with it is all we should strive for, at least until that nation completes the process of internal transition and charts its future course with greater clarity. We can't wish away the Soviet Union, but if we are unable to find ways of getting along with it, we can at least stop exaggerating Soviet desire—and ability—to damage our interests and threaten our physical security. At the top of our national agenda I would put the restoration of the economic power of the United States and the strengthening, in genuine partnership, of its relations with our traditional allies.

PERCEPTIONS AFFECT POLICY

One general observation. "Perceptions" affect government policies but do not necessarily reflect actual concerns of the governments. Secretary of Defense Brown says that he knows that the Soviets are pre-

paring for a "limited" or "prolonged" nuclear war but he is careful not to assert that they intend to launch one, and what he actually thinks, we don't know. The public, at least, is much more concerned about the safety of nuclear reactors in powerplants than with the possibility of annihilation of our whole Nation. Chinese leaders say that the Soviets are on the march to conquer the world and that world war III is inevitable, but whether they actually believe it, or even fear the Soviets, we don't know. The Soviets, juggling quotations from Chinese public statements assert that the People's Republic of China is determined to become the leading world military power, but whether they actually consider it likely to happen in this century or next, we again don't know.

Professional strategists, in evolving their concepts, cite military capabilities of the would-be enemy as a proof of his evil intentions. Then, having assumed that his intentions are evil, they project the growth of his capabilities to scary dimensions—and hurry to devise their responses accordingly. The result is a vicious circle, for greater military build-up demands perpetuation of the atmosphere of hostility, in the end producing less and less security for all concerned. We don't know whether perceptions of strategists are genuinely held or have foundations in reality, but the possibility of a blowup and the even greater possibility of exhausting our material resources in pursuit of unattainable security, remain with us. Eliminating these dangers calls for a statesmanship which at one moment doesn't obtain, either in Moscow or in Peking or in the United States.

Mr. WOLFF. Dr. Petrov, we have a vote on that we have to answer the call. We have a dual responsibility, so we will have to recess now.

Mr. MICA. Mr. Chairman, before we recess, I would just like to take this opportunity, reading the comments that you used in opening this meeting, I would like to associate myself with your comments regarding the current Taiwan debate.

Mr. WOLFF. Thank you very much.

We stand in recess to go vote.

[A brief recess was taken.]

Mr. WOLFF. The committee will resume. We will continue with the statement of Mr. Garrett.

You will please proceed.

STATEMENT OF BANNING GARRETT, RESEARCH ASSOCIATE, INSTITUTE OF INTERNATIONAL STUDIES, UNIVERSITY OF CALIFORNIA AT BERKELEY

Mr. GARRETT. Mr. Chairman and committee members, I am especially pleased to testify before this committee. Your 1975–76 hearings on the Great Power Triangle remain a uniquely important public document on Sino-American relations, and I hope this set of hearings is equally successful.

Let me say at the outset that I prepared a very long testimony, as I'm sure you are aware now.

Mr. WOLFF. Your complete testimony will be included in the record.

Mr. GARRETT. I would urge people to look through it, because the details in this particular type of testimony I think are of great importance.

The new American relationship with China has been one of the most significant developments in U.S. foreign policy over the last decade. The bilateral aspects of the United States-China rapprochement, especially the normalization process, have received a great deal of public and congressional attention. But the underlying strategic aspect of the Sino-American connection—which pushed the two powers together 9 years ago and continues to be the basis of the relationship—has received remarkably little public discussion. I might add, with the exception of your hearings.

Within the Government, however, the strategic relationship with China has been the subject of intense debates for the last 7 years, including a vehement struggle over whether to go public with the issue of establishing military ties with China.

DETAILED DEFENSE PLANS

Emerging from the struggle has been a series of detailed plans for establishing such a defense relationship with China—a policy perceived by both its proponents and its opponents as having potentially profound repercussions on our relations with the Soviet Union.

In spite of the known risks, however, the Carter administration has nevertheless come to embrace this policy. The Republican Party platform speaks of "transferring to China technology with offensive military applications," and Ronald Reagan 4 years ago termed U.S. arms sales to China a "natural development."

In short, we are developing a military relationship with China which is acknowledged to have far-reaching global implications for the United States, and this relationship is likely to be continued regardless of who occupies the White House next January. Yet there has been little public discussion of this strategic realinement.

A primary reason for this, I think, is the extraordinary secrecy with which this issue has been handled within the last three administrations. Probably no other issue has been more sensitive or more closely held than that of establishing a military relationship with China. I hope my testimony will assist the committee in its investigation of the past, present, and future of United States-China policy and its implications for United States-Soviet relations.

MAKING POLICY

I would like to explain briefly that I approach this subject as a political scientist whose research has focused on the U.S. decisionmaking process and bureaucratic politics with respect to China policy, and the interaction of the United States, the Soviet Union, and China as it has influenced and been influenced by that process. I am completing a book, "The 'China Card' and Its Origins," based on the results of a 3-year study of the subject.

In the course of my investigation, I have interviewed nearly 100 current and former U.S. officials in the Pentagon, the State Department, the NSC, and the CIA. I must stress that this has been one of the most secretive issues in the Government. Much of what follows in my testimony, which I won't read, has been based on interviews with many sources, none of whom would tell the whole story.

Let me say that I am as skeptical as anyone else doing this kind of research about attaching undue significance to studies and contingency plans. But in this case, my 3-year investigation leads me to conclude that the studies and planning documents that I will discuss in my testimony have been policy-oriented recommendations and plans that have in fact shaped policy itself and have outlined the specific steps for the implementation of that policy.

It is significant that these documents continue to be closely held as much as 7 years after they were written. Others, of course, will have to make their own judgments, and I hope this testimony will serve as the basis for further investigation and evaluation.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA MILITARY RELATIONSHIP

It is my assessment that these studies in effect have added up to a detailed plan for establishing a far-reaching military relationship with China in an incremental, step-by-step manner, and that the promoters of the plan have occupied key positions in the Government or elsewhere to help move it forward over the last 7 years.

Besides providing essential insight into the origins of our new military relationship with China, these studies also should help the committee to better understand likely future developments in that relationship. Except for a few leaks to the press, I believe the Congress—and often the State Department—has been kept in the dark about these important planning documents and studies, almost all of which were done for the Defense Department.

Before describing these studies and plans, it might be helpful to discuss some of the key people who have been involved and to some degree promoted the plan for military ties with China. These people, although a small group, by no means form a clique.

There are many sharp differences and personal animosities among them. Many of them will be familiar to this committee, and you will see that they are not confined to one political party or one administration, and they include career consultants and political appointees.

PAST AND PRESENT PLAYERS

One of the more mysterious and secretive players in this drama, Michael Pillsbury, who is now a defense policy adviser to Ronald Reagan, testified before this committee at your last hearing held in July. From reading his testimony, Mr. Chairman, I would say he told you far less than he knows about the policy issues behind the speech by Assistant Secretary of State Richard Holbrooke, which he analyzed for this committee. This is an indication of the obstacles you are up against in your investigation of China policy.

Pillsbury, whose name recurs again and again in this story as a tireless lobbyist for military ties with China in the 1973–76 period, is not the only Reagan campaign name involved. Former CIA analyst Roger Glenn Brown and former CIA National Intelligence Officer for China, James R. Lilley, were involved in the earlier years of this debate. And Lilley last week was with Mr. Bush in Peking. They have both been involved with the Bush campaign, and Lilley, who

worked with George Bush in Peking in 1974–75, spent last week in China with the Republican Vice Presidential nominee.

On the Democratic side, one key figure, who published the most important articles on the subject before he joined the Carter administration, is Richard Holbrooke. Another Carter appointee who left the administration 1 year ago but before that drafted a key section of the only interdepartmental study on military ties with China, Presidential Review Memorandum 24, PRM 24, is Leslie Gelb. And Michael Oksenberg, who was not involved until he joined Brzezinski's NSC staff in 1977, wrote important implementing documents before he returned to his teaching post at the University of Michigan late last year.

The permanent bureaucracy also has been important, with GS–15 and GS–16 officials involved from the Office of the Secretary of Defense, including Frank Tapparo, Lynn Rylander, and the current Deputy Assistant Secretary of the Air Force, Willard Mitchell.

Another participant who is well known to this committee is our current Ambassador to Thailand, Morton Abramowitz, who sponsored several key studies when he served as Deputy Assistant Secretary of Defense for International Security Affairs, East Asia and the Pacific.

A number of other people have played in these roles, like Reginald Bartholomew and Michael Armacost. I won't go through all the people, but I think it is important to understand there has been a small number of people who have moved around in the same roles, switched back and forth, and some have been very interested in pursuing this policy. Several planning documents have been a key part of that drama.

"L–32"

Based on interviews with many sources. Mr. Chairman, I believe that the basic plan and rationale for establishing a military relationship with China was completed in March 1974, and was called "L–32." It was written by Michael Pillsbury, then a Rand analyst.

These sources agree that Pillsbury had proposed the idea 6 months earlier in a short memo that had attracted enough interest in the Pentagon to get funding for L–32. But they disagree about the contents of L–32, some saying it was similar to an article by Pillsbury published later, and others saying that the Rand study included significant and "explosive" material never published. I will discuss that publication in a moment.

SECRET MEETINGS

It is highly significant to note that Pillsbury's plan was proposed at a time when he was holding secret monthly meetings with senior Chinese military officials at the United Nations. Pillsbury sent memorandums about those meetings to about 20 key officials at the Pentagon, CIA, NSC, and State Department. These quasi-official meetings with the Chinese representatives of the People's Liberation Army General Staff, including the equivalent of two generals and an admiral, apparently demonstrated serious Chinese interest in military intelligence sharing with the United States, and in purchasing sophisticated military equipment and technology from the United States—this in 1973.

I should add, however, that whether or not China would abandon self-reliance and seek military equipment or security relations with the United States was a very hotly debated issue within the intelligence community at that time.

Although we remain largely in the dark about this mysterious L–32, an article that sources agree was based on L–32 was published in September 1975 by Richard Holbrooke, then editor of Foreign Policy magazine.

Mr. Chairman, you will recall the controversy generated by publication of the Pillsbury article by Holbrooke, as you invited Pillsbury to testify at the Triangle hearings. My study indicates that despite the public disavowals of the article, it was actually cleared by Richard Solomon at the NSC, who reportedly was not aware of its significance at the time, and by other, higher officials. Whether Holbrooke was aware of the origins of Pillsbury's article in the classified L–32, I do not know. I believe he appreciated its broader significance, however.

My study also concludes that, unknown to key middle level officials at the State Department, the CIA, and the NSC, publication of the article in Foreign Policy was encouraged, perhaps for different reasons, by both Secretary of State Kissinger, and Secretary of Defense Schlesinger, as a trial balloon.

CONTROVERSY ON L–32

When L–32 was first distributed in the spring of 1974, it provoked considerable interest and controversy within the Government, and led to quiet Pentagon sponsorship of a number of other studies on the subject over the next several years. Most of my requests for release of these documents were turned down, and some of what I did receive through the Freedom of Information Act (FOI) were heavily censored, including even in one case the table of contents.

I've attached one of the documents to my testimony because I think it's indicative of the subject matters discussed. There were several studies—I won't go through all this, Mr. Chairman, but I will just mention that in late 1976, just before the Carter administration came to power, two key studies were done by Rand, one by Mr. Pillsbury called, "Methods of Interaction in United States-People's Republic of China Security Relations," and the other was by Mr. Solomon entitled, "Prospects for National Security Cooperation Between the United States and the People's Republic of China."

The companion studies outline in detail proposed steps toward closer security cooperation in several modes: contacts between defense establishments, including exchange of military attaches and visits by defense ministers; sale of defense-related technology; exchange of intelligence; facilitation of Western European arms sales to China; and limited direct U.S. military assistance to China. And many others, I am told, through my interviews.

Like all the other documents that are classified, I have not seen them, but I have been able to piece together some sense of what they are about.

STUDIES DONE IN 1976–78

Two more important studies were done in the 1976–78 period by Lynn Rylander, then in Programs and Evaluation in the Office of the Secretary of Defense. These planning documents, both entitled "Im-

plications of Sino-Soviet Conflict for U.S. Defense Programs," and done in two volumes, covered peacetime and wartime implications of the Sino-Soviet dispute.

Although the versions of the studies which I received under the FOI are highly censored, it can be discerned that the documents addressed extraordinary subjects: the second volume examined in detail Chinese military capabilities and possible Soviet military moves against China. It then looked at U.S. options to counter those moves, including, Mr. Chairman, available U.S. weapons systems for possible security assistance to China, and the potential impact of various types of direct U.S. participation on China's side in a war.

I have attached this particular document to my testimony.

I was told by several sources that Consolidated Guidance No. 8, or CG–8 as its authors called it, was a rehash of these earlier studies, especially the Rylander studies. CG–8 was done last year and excerpts of it were leaked to the New York Times last October 4, shortly after it was leaked that Secretary of Defense Brown would be going to China.

According to the Times and my interviews, CG–8 explored the possibilities of U.S. wartime aid to China, joint contingency planning with the Chinese, including the possibility of stationing U.S. warplanes, naval vessels or even ground forces in China during a crisis. Among the details addressed in CG–8 were pre-positioning of munitions and equipment and plans for supporting base structures for U.S. forces in China. The type of potential military cooperation with China described in CG–8 is remarkably similar to U.S. military arrangements with NATO allies.

Administration officials were quick to publicly dismiss CG–8 as a "think piece" when it was revealed. But I hope subsequent events, including Secretary Brown's visit to China—and my testimony—will convince the committee that CG–8 and other documents I have mentioned should be taken very seriously.

OUTLINING SPECIFIC MOVES

The record shows that many of the specific moves outlined in the earlier studies have already been implemented, including approval of allied arms sales to China; approval of transfer of selected items of U.S. high technology with potential military applications; approval of sales of selected items of nonlethal military equipment; exchange of military academy delegations, and exchange of visits of defense ministers.

As far as I know, such steps as joint contingency planning or stationing of U.S. forces in China are very far from immediate options, but the logic of the past suggests that they are steps that may be taken farther down the road we currently are on.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA POLICY FUNCTION OF UNITED STATES-U.S.S.R. POLICY

Mr. Chairman, I would like to point out that what is evident from all studies of military ties with China—and from the internal debates in the Nixon, Ford, and Carter administrations—is that America's China policy in the last decade has been in large part a function of our Soviet policy and our strategy for dealing with the Soviet Union.

China experts have tended to focus on Taiwan and the normalization of relations, trade, cultural contacts and other bilateral issues, while the policymakers were looking at global strategy vis-a-vis Moscow and how relations with China factored into it.

Or put another way, the debate over military ties with China has been in large part a debate over the impact of such ties on the Soviet Union: Will a military relationship with China improve or worsen the U.S. strategic position vis-a-vis Moscow?

Will it make the Soviets more compliant in negotiations such as SALT and less adventurous in the Third World? Or will it be counterproductive, resulting in more uncompromising Soviet negotiating positions and more aggressive Soviet behavior?

Will it undermine détente or save it? Will it provoke a Soviet attack on China or help deter it?

It is significant for the work of this committee that the only interagency study that addressed the issue of military ties with China—specifically the transfer of military-related technology to Peking—opposed such ties on the grounds that they were too risky. The study—Presidential Review Memorandum 24—was leaked in draft form to the New York Times in June 1977. It noted that the Soviets had entered into détente with the United States in large part to head off Sino-American collusion against them, and that if it failed to do so, they might completely reexamine their policy toward the United States.

The committee may wish to inquire why this concern in spring 1977 apparently became "inoperative" less than a year later when the Carter administration decided to establish a security relationship with China. Was there a new study or a later draft of PRM 24, section 3, that was not leaked to the press that came to the opposite conclusion, that military ties with China would provide useful pressure to produce more compliant Soviet behavior? Or did the officials opposing military ties with China—who were mostly in the State Department—simply lose a power struggle without a new consensus ever being formed within the Government?

It is my impression that those people who proposed military ties with China based their ideas in part on access to highly sensitive intelligence reports and other sources of information and that they explored the subject in great depth. It would be invaluable for this committee to gain access to at least some of the information and to all of the reasoning that went into shaping these views.

If it is a good policy idea, then I think its proponents should be able to build a broad consensus behind it in Congress and the public. If it is a flawed idea, then public discussion is urgent before the United States becames more deeply committed.

[Mr. Garrett's prepared statement follows:]

PREPARED STATEMENT OF BANNING GARRETT, RESEARCH ASSOCIATE, INSTITUTE OF INTERNATIONAL STUDIES, UNIVERSITY OF CALIFORNIA, BERKELEY

THE ORIGINS OF THE STRATEGIC RELATIONSHIP BETWEEN CHINA AND THE UNITED STATES

Mr. Chairman and committee members, I am especially pleased to testify before this committee. Your 1975–76 hearings on the Great Power Triangle remain a uniquely important public document on Sino-American relations and I hope this set of hearings is equally successful.

The new American relationship with China has been one of the most significant developments in U.S. foreign policy over the last decade. The bilateral aspects of the U.S.-China rapprochement, especially the normalization process, have received a great deal of public and congressional attention. But the underlying strategic aspect of the Sino-American connection—which pushed the two powers together nine years ago and continues to be the basis of the relationship—has received remarkably little public discussion.

Within the government, however, the strategic relationship with China has been the subject of intense debates for the last seven years, including a vehement struggle over whether to go public with the issue of establishing military ties with China. Emerging from the struggle has been a series of detailed plans for establishing such a defense relationship with China—a policy perceived by both its proponents and its opponents as having potentially profound repercussions on our relations with the Soviet Union. In spite of the known risks, however, the Carter administration has nevertheless come to embrace this policy. The Republican Party platform speaks of transferring to China technology with "offensive military applications," and Ronald Reagan four years ago termed U.S. arms sales to China a "natural development."

In short, we are developing a military relationship with China which is acknowledged to have far-reaching global implications for the United States, and this relationship is likely to be continued regardless of who occupies the White House next January. Yet there has been little public discussion of this strategic realignment. A primary reason for this, I think, is the extraordinary secrecy with which this issue has been handled within the last three administrations. Probably no other issue has been more sensitive or more closely held than that of establishing a military relationship with China. I hope my testimony will assist the committee in its investigation of the past, present and future of U.S.-China policy and its implications for U.S.-Soviet relations.

I would like to explain briefly that I approach this subject as a political scientist whose research has focused on the U.S. decisionmaking process and bureaucratic politics with respect to China policy and the interaction of the United States, the Soviet Union and China as it has influenced and been influenced by that process. I am just completing a book, *The "China Card" and Its Origins*,[1] based on the results of a three year study of the subject.

In the course of my investigation, I have interviewed nearly one hundred current and former U.S. officials in the Pentagon, the State Department, the NSC and the CIA. I must stress that this has been one of the most secretive issues in the government. Much of what follows is a reconstruction based on interviews with many sources, none of whom would tell the whole story. The more important the roles the participants played, in fact, the less likely they were to cooperate. No one showed me classified documents or information, although I was able to reconstruct the trail of secret studies, and in the process I have obtained 78 pages of secret documents through the Freedom of Information Act and have confirmed the existence of the other key secret studies on U.S. military ties with China.

Let me say that I am as skeptical as anyone else doing this kind of research about attaching undue significance to studies and contingency plans. But in this case, my three year investigation leads me to conclude that the studies and planning documents that I will discuss in my testimony have been policy-oriented recommendations and plans that have in fact shaped policy itself and have outlined the specific steps for the implementation of that policy. It is significant that these documents continue to be closely held as much as seven years after they were written. Others, of course, will have to make their own judgments, and I hope this testimony will serve as the basis for further investigation and evaluation.

It is my assessment that these studies in effect have added up to a detailed plan for establishing a far-reaching military relationship with China in an incremental, step-by-step manner, and that the promoters of the plan have occupied key positions in the government or elsewhere to help move it forward over the last seven years. Besides providing essential insight into the origins of our new military relationship with China; these studies also should help the committee to better understand likely future developments in that relationship. Except for a few leaks to the press, I believe the Congress—and often the State

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[1] To be published this fall by the Institute of International Studies, University of California, Berkeley. The study is also a Ph. D. dissertation for Brandeis University.

Department—has been kept in the dark about these important planning documents and studies, almost all of which were done for the Defense Department.

Before going any farther, I would like to note that the term "military ties" covers a very broad spectrum of developments, ranging from selling China computers with potential military applications or exchanging military attaches, to a full NATO-like alliance relationship. Clearly the implications of potential moves—especially their potential impact on the Soviet Union—are vastly different. Just which type of military ties should be implemented has usually been the focus of debate in the last five years rather than a simple yes or no on the general issue. Finally, the notion of establishing some sort of military ties with China has been the essence of the "China Card," as it has become commonly referred to in the press.

As I have implied, the plan for developing a military relationship with China was not the invention of President Carter or his National Security Adviser, Zbigniew Brzezinski. Although one may question the wisdom of the policy or the way it has been implemented, the emerging military relationship with China cannot be explained as simply a knee-jerk reaction to Afghanistan of the Soviet combat brigade in Cuba. My study shows that the plan for Sino-American military relations—including most if not all the specific steps that already have been taken—dates back seven years and has been addressed in hundreds of pages of classified studies and plans in the years since 1973. And cautious, halting steps toward military ties with China have been taken since 1975, with many of the same actors pushing the policy then who are behind it in the Carter administration.

Before describing these studies and plans, it might be helpful to discuss some of the key people who have been involved and to some degree promoted the plan for military ties with China. These people, although a small group, by no means form a clique. There are many sharp differences and personal animosities among them. Many of them will be familiar to this committee, and you will see that they are not confined to one political party or one administration, and that they include career consultants and political appointees. Remarkably, not only is the number of participants small, but the number of key positions in the government is even smaller and these people have often replaced each other in the key jobs.

One of the more mysterious and secretive players in this drama, Michael Pillsbury, who is now a defense policy adviser to Ronald Reagan, testified before this committee at your last hearing held in July. From reading his testimony, Mr. Chairman, I would say he told you far less than he knows about the policy issues behind the speech by Assistant Secretary of State Richard Holbrooke, which he analyzed for this committee. This is an indication of the obstacles you are up against in your investigation of China policy.

Pillsbury, whose name recurs again and again in this story as a tireless lobbyist for military ties with China in the 1937–76 period, is not the only Reagan campaign name involved. Former CIA analyst Roger Glenn Brown and former CIA National Intelligence Officer for China, James R. Lilley, were involved in the earlier years of this debate. They have both been involved in the Bush campaign, and Lilley, who worked for George Bush in Beijing in 1974–75, spent last week in China with the Republican Vice-Presidential nominee.

On the Democratic side, one key figure, who published the most important articles on the subject before he joined the Carter administration, is Richard Holbrooke. Another Carter appointee who left the administration a year ago but before that had drafted a key section of the only inter-departmental study on military ties with China, Presidential Review Memorandum 24 (PRM 24), is Leslie Gelb. And Michel Oksenberg, who was not involved until he joined Brzezinski's NSC staff in 1977, wrote important implementing documents before he returned to his teaching post at the University of Michigan late last year.

The permanent bureaucracy also has been important, with GS–15 and GS–16 officials involved from the Office of the Secretary of Defense, including Frank Tapparo, Lynn Rylander and the current Deputy Assistant Secretary of the Air Force, Willard Mitchell. Another participant who is well-known to this committee is our current ambassador to Thailand, Morton Abramowitz, who sponsored several key studies when he served as Deputy Assistant Secretary of Defense for International Security Affairs, East Asia and the Pacific. Also involved have been Gelb's replacement at the State Department, Reginald Bartholomew, who worked for Abramowitz in the Pentagon at one point and later at the NSC, and Richard Holbrooke's current deputy, Michael Armacost. Armacost began following the issue of military ties with China in 1974 for Winston Lord, who

was then head of policy planning in the State Department. Armacost later served on the NSC, then took Abramowitz's job at the Pentagon when the latter went to Thailand, and finally returned to the State Department.

Another crucial actor in the drama is Richard Solomon, a leading academic specialist on China who served on Kissinger's NSC staff from 1971 to 1976 and then replaced Pillsbury as RAND's chief China expert. And, finally, a latecomer to the game who nevertheless has become a key player in the last year, is the Undersecretary of Defense for Policy, Robert Komer.

Although others have been involved, this list of more than a dozen actors should give the committee a starting point for further investigation. But, Mr. Chairman, your committee also needs to obtain the actual studies and plans that many of these people participated in developing or pushing within the government since 1973 if you are to fully understand the policy that has already been implemented, much less the next steps likely to be taken.

Based on interviews with many sources, Mr. Chairman, I believe that the basic plan and rationale for establishing a miltiary relationship with China was completed in March, 1974, and was called "L–32." It was written by Michael Pillsbury, then a RAND analyst. These sources agree that Pillsbury had proposed the idea six months earlier in a short memo that had attracted enough interest in the Pentagon to get funding for L–32. But they disagree about the contents of L–32, some saying it was similar to an article by Pillsbury published later, and others saying that the RAND study included significant and "explosive" material never published. I will discuss that publication in a moment.

It is highly significant to note that Pillsbury's plan was proposed at a time when he was holding secret monthly meetings with Senior Chinese military officials at the United Nations, Pillsbury sent memorandums about those meetings to about 20 key officials at the Pentagon, CIA, NSC and State Department. These quasi-official meetings with the Chinese representatives of the People's Liberation Army General Staff, including the equivalent of two generals and an admiral, apparently demonstrated serious Chinese interest in military intelligence sharing with the United States, and in purchasing sophisticated military equipment and technology from the United States—this in 1973! I should add, however, that whether or not China would abandon self-reliance and seek military equipment or security relations with the United States was a very hotly debated issue within the intelligence community at that time.

Most of the China experts held that the Chinese would not do so, and tended to dismiss as espionage Chinese probes to the U.S., and other western countries. My study suggests that, in retrospect, the Chinese interest in military ties with the United States as far back as 1973 was indeed genuine.

According to several sources, about 50 copies of L–32 were circulated in the Defense Department, and to officials at CIA and the NSC, and to Pillsbury's cousin, Winston Lord, of the State Department's policy planning staff. Although L–32 is now more than 6 years old, and the memorandum's of Pillsbury's conversations with the Chinese military officers date back even farther, the Defense Department has refused to release them under a Freedom of Information Act request on the grounds that they contain information that is "properly and currently classified."

Although we thus remain largely in the dark about this mysterious L–32, an article that sources agree was based on L–32 was published in September, 1975 by Richard Holbrooke then editor of *Foreign Policy* magazine. Mr. Chairman, you will recall the controversy generated by publication of the Pillsbury article by Holbrooke, as you invited Pillsbury to testify at the Triangle hearings. My study indicates that despite the public disavowals of the article, it was actually cleared by Richard Solomon at the NSC, who reportedly was not aware of its significance at the time, and by other, higher, officials. Whether Holbrooke was aware of the origins of Pillsbury's article in the classified L–32, I do not know. I believe he appreciated its broader significance, however.

My study also concludes that, unknown to key middle level officials at the State Department, the CIA and the NSC, publication of the article in *Foreign Policy* was encouraged, perhaps for different reasons, by both Secretary of State Kissinger, and Secretary of Defense Schlesinger.

When L–32 was first distributed in the Spring of 1974, it provoked considerable interest and controversy within the government, and led to quiet Pentagon sponsorship of a number of other studies on the subject over the next several years. Most of my requests for release of these documents were turned down, and some of what I did receive through the FOI was heavily

censored, including even in one case the table of contents. However while I have thus not seen any of the documents in their entirety extensive interviews with knowledgeable officials, many of them participants in the debates revolving around the documents allows me to make some assessments of the significance of these studies, and to suggest to the Committee some of their contents.

Several of these studies—which were much more planning documents than they were simple contingency reviews—further outlined in detail the steps toward a full military relationship with China first mentioned in L–32.

According to several officials, and to FOI documents, two key studies were done at RAND in 1976 and completed in January, 1977. They were done for Morton Abramowitz, then a Deputy Assistant Secretary of Defense. One, by Pillsbury, was entitled "Methods of Interaction in U.S.-P.R.C. Security Relations;" the other was by Richard Solomon, entitled "Prospects for National Security Cooperation between the U.S. and the P.R.C." The companion studies outline in detail proposed steps toward closer security cooperation in several modes: contacts between defense establishments, including exchange of military attaches and visits by defense ministers; sale of defense-related technology; exchange of intelligence; facilitation of Western European arms sales to China; and limited direct U.S. military assistance to China.

Virtually all of the specific moves since 1979 toward establishing U.S. military ties with China, according to several sources, were outlined in these studies which were "on the shelf" when the present Administration decided to play the "China Card."

I was told by several sources that Consolidated Guidance Number 8, or CG 8 as its authors called it, was a rehash of these earlier studies, especially the Rylander studies. CG 8 was done last year and excerpts of its were leaked to the *New York Times* last October 4, shortly after it was leaked that Secretary of Defense Brown would be going to China. According to the *Times* and my interviews, CG 8 explored the possibilities of U.S. wartime aid to China joint contingency planning with the Chinese, including the possibility of stationing U.S. warplanes, naval vessels or even ground forces in China during a crisis. Among the details addressed in CG 8 were prepositioning of munitions and equipment and plans for supporting base structures for U.S. forces in China. The type of potential military cooperation with China described in CG 8 is remarkably similar to U.S. military arrangements with NATO allies.

Administration officials were quick to publicly dismiss CG 8 as a "think piece" when it was revealed. But I hope subsequent events—and my testimony—will convince the committee that CG 8 and other documents I have mentioned should be taken very seriously. The record shows that many of the specific moves outlined in the earlier studies have already been implemented, including: approval of allied arms sales to China, approval of transfer of selected items of U.S. high technology with potential military applications; approval of sales of selected items of non-lethal military equipment; exchange of military academy delegations, and exchange of visits of defense ministers. As far as I know, such steps as joint contingency planning or stationing of U.S. forces in China are very far from immediate options, but the logic of the past suggests that they are steps that may be farther down the road we currently are on.

The U.S.-China military relationship has momentum and a structure. It is developing so far in a direction which has specific, preplanned steps that lead eventually to an alliance-like security relationship, whether it is called such or not. My study also suggests that focusing solely on the issue of U.S. arms sales to China as the litmus test of how far we have gone with the Chinese may miss the point of what is already going on or may not be too far down the road.

The $50 billion figure for adequately arming China against the Soviet Union with U.S. weapons suggest that it is out of reach for the Chinese to purchase such quantities of arms or for the U.S. to provide them as military assistance in currently foreseeable circumstances. Although limited sales of certain U.S. arms such as advanced jetfighters would have a very large psychological and political impact, especially on the Soviet Union, the type of intimate U.S. involvement in China's defense that is suggested in these studies and planning documents—rather than just selling China arms and remaining only distantly involved—might provide China with a cheaper deterrent to Soviet attack and might have even greater implications for U.S. security.

Two more important studies were done in the 1976–78 period by Lynn Rylander, then in Programs and Evaluation in the Office of the Secretary of Defense. These planning documents, both entitled "Implications of Sino-Soviet Conflict for U.S. Defense Program," and done in two volumes, covered peacetime

and wartime implications of the Sino-Soviet dispute. Although the versions of the studies which I received under the FOI are highly censored, it can be discerned that the documents addressed extraordinary subjects: the second volume examined in detail Chinese military capabilities and possible Soviet military moves against China. It then looked at U.S. options to counter those moves, including, Mr. Chairman, available U.S. weapons systems for possible security assistance to China, and the potential impact of various types of direct U.S. participation on China's side in a war.

I have attached to my testimony several pages from the first volume of the Rylander studies which do indicate the scope of the study. But what the reasoning is, what the implications are of such support for China, and other information is all missing—and will have to await efforts by your Committee to obtain the complete document. I would note that I was told by one source that the Rylander studies concluded that it would cost some $50-billion to adequately arm China with American weapons against the Soviet Union.

Finally, Mr. Chairman, I would like to point out that what is evident from all studies of military ties with China—and from the internal debates in the Nixon, Ford and Carter administrations—is that America's China policy in the last decade has been in large part a function of our Soviet policy and our strategy for dealing with the Soviet Union. China experts have tended to focus on Taiwan and the normalization of relations, trade, cultural contracts and other bilateral issues, while the policymakers were looking at global strategy vis-a-vis Moscow and how relations with China factored into it. Or put another way, the debate over military ties with China has been in large part a debate over the impact of such ties on the Soviet Union: Will a military relationship with China improve or worsen the U.S. strategic position vis-a-vis Moscow? Will it make the Soviets more compliant in negotiations such as SALT and less adventurous in the Third World? Or will it be counterproductive, resulting in more uncompromising Soviet negotiating positions and more aggressive Soviet behavior; Will it undermine detente or save it? Will it provoke a Soviet attack on China or help deter it?

These questions were addressed in the first study in 1974 and have been the subject of intense debate ever since. The studies have noted that potential risks involved in providing the Soviet Union but have also argued that military ties with China made sense for the U.S. as a strategic move and that they might also pressure the Soviets into greater restraint and compliance. And the pace of development of U.S.-Chinese military ties was linked to the future of detente—if U.S.-Soviet relations worsened, L–32 in its published form suggested, the option of forging security ties with China would be more attractive to the President. I suggest that is, in fact, the dynamic that has occurred: crises in U.S.-Soviet relations have led to Presidential adoption of policy options to move another step down the military-ties-China path.

It is significant for the work of this committee that the only inter-agency study that addressed the issue of military ties with China—specifically the transfer of military-related technology to Peking—opposed such ties on the grounds that they were too risky. The study—Presidential Review Memorandum 24—was leaked in draft form to the *New York Times* in June 1977. It noted that the Soviets had entered into detente with the United States in large part to head off Sino-American collusion against them, and that if it failed to do so, they might completely re-examine their policy toward the United States.

The committee may wish to inquire why this concern in spring 1977 apparently became "inoperative" less than a year later when the Carter administration decided to establish a security relationship with China. Was there a new study or a later draft of PRM 24, Section 3, that has not leaked to the press that came to the opposite conclusion, that military ties with China would provide useful pressure to produce more compliant Soviet behavior? Or did the officials opposing military ties with China—who were mostly in the State Department—simply lose a power strugle without a new consensus ever being formed within the government? I might add that the Pentagon studies also suggested grave concern about potential negative Soviet reaction, and the second volume of the Rylander studies said: "Because both benefits and risks are so high we believe the question of a security relationship with the People's Republic of China deserves additional careful study." Were additional studies done? What did they conclude?

It is my impression that those people who proposed military ties with China based their ideas in part on access to highly sensitive intelligence reports and other sources of information and that they explored the subject in great depth. It would be invaluable for this committee to gain access to at least some of the information and to all of the reasoning that went into shaping these views. If it

is a good policy idea, then I think its proponents should be able to build a broad consensus behind it in the Congress and public. If it is a flawed idea, then public discussion is urgent before the United States becomes more deeply committed.

But I think it is relevant for the committee to ask whether the China card strategy has worked to date, based on its own criteria. Has the Soviet Union been more compliant in negotiations, less adventurous in the Third World, and generally more paralyzed through fear of encirclement in the last two years? Or has the move toward deeper security relations with China contributed to the decline in U.S.-Soviet relations rather than being only a response to that decline, and has it led to tougher, more aggressive Soviet positions on the issues of concern to the United States? If the U.S. had begun developing military ties with China in 1973 in response to Chinese probes, would the Soviets have been deterred from Angola, Ethiopia and Afghanistan, and perhaps have been more forthcoming in SALT and have mitigated their arms buildup? If the China Card was a good idea in 1973 or 1974, why was it not played years ago, and if it was a bad idea then, why is it a good idea now?

IMPLICATIONS OF SINO-SOVIET CONFLICT FOR U.S. DEFENSE PROGRAMS

These programs are assessed in the context of the Great Power System which involves the U.S., PRC and USSR as well as other regions such as Western Europe. On the one hand, we now recognize that the Soviet Union poses a greater challenge than China to Free World interests—even in Asia—and that the potential exists for the deterioration of Soviet-American relations.

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I. INTRODUCTION

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II. THE CHINESE CONTEXT *

The importation of military hardware and other manifestations of military cooperation with the West is one of the most contentious issues in China today. The debate encompasses such key questions as self-sufficiency, military professionalism and the rate of modernization and springs directly from the radical-moderate struggle over the course and direction of domestic and foreign policy. In general the moderates favor strengthening the Chinese armed forces even if it requires some temporary reliance on outside sources; the radicals find this anathematic.

CORRELATION BETWEEN EVENTS AND DOCUMENTS

Mr. WOLFF. Thank you very much. Yours was a very provocative statement and one that certainly demands that we turn to you first to perhaps ask you a few questions. Then I will give way to my colleagues.

These documents that you referred to, aren't these just what we would normally call options that are faced by the various departments of Government as contingencies? I mean, there are no hard and fast rules, are there, or do you think there are?

Mr. GARRETT. That was my initial impression. I assumed this was just somebody's hypothetical idea. They were kind of wild ideas that were floating around the Pentagon among who knows how many other wild ideas. But what I found was that if you investigate what the documents said, and the history of them, and correlate that with what happened, there has been a very sharp correlation.

This policy of flirting with military ties with China began in December of 1975 when Secretary of State Kissinger approved, to the great astonishment of the entire bureaucracy, the British sale of jet

* This section, the sections on Soviet and Japanese attitudes, and the corresponding Appedixes (A, B and C) were prepared with the assistance of RAND analyst Michael Pillsbury.

engines to the Chinese. It was a total shock within the Government. Nobody thought the Chinese would ever buy from the West, and they didn't think the United States would approve of it, as they did as a gesture to the Chinese and a signal to the Russians.

That game has continued. It continued with such a move in October of 1976.

What I am saying is there are a finite number of these studies as far as I can tell, and I've mentioned virtually all the important ones. If you can gain access to the studies through this committee and investigate what the people say about them, and what they have done, and what planning they are doing now, and who is doing the planning you will see a strong correlation between the studies and U.S. policy. You may want to ask, for example, what is Mr. Perry going to discuss with the Chinese when he goes there next month as head of Research and Engineering in the Defense Department? He's the person in charge of command and communications. He gets into discussions of hotlines, radar, overhorizon radar—all kinds of things to help the Chinese deterrent. The details of such types of military assistance to China have been worked in these studies.

One point I want to stress is that the question of arms sales per se is not the key question. That may be a litmus test from the outside, but what is really going on, as far as I can say, is the movement toward a very broad type of relationship that doesn't focus simply on whether we sell them arms but also on joint contingency planning, other kinds of technical assistance to China, and U.S. involvement in China's defense efforts.

NO CONSULTATION WEAPON SALES

Mr. WOLFF. I want you to know, Mr. Garrett, that we had some very serious questions of the State Department relative to their announcement of the first sales of what could be defense-related equipment to the Chinese. They had not consulted with the committee before, and since we do have a number of devices at our command as a result of amendments that have been passed for the sale of military equipment, we do have a somewhat of a say in the determinations that are to be made.

One of the problems we have faced in the past is, I think, less than open discussion with the committee which has a very vital responsibility over the progress of events that have taken in place vis-a-vis the People's Republic of China.

Now, it is not that we disagree with those decisions that have been taken. To the contrary. In fact, I think many of things they have done are certainly in line with the best interests of the United States. However, we would like to be consulted from time to time so that we are not in the position of being, to use the trite expression, a rubber stamp for the administration.

I'm not prepared to be a rubber stamp for this administration, the next administration, or the past administrations. I think that is the position of the Congress as well.

I would just like to ask one further question. You said that this started in 1975, am I correct?

MR. KISSINGER'S ROLE

Mr. GARRETT. I said the first moves made by the Government were in 1975, Mr. Kissinger's move. The discussion and the planning documents go back further.

Mr. WOLFF. What do you consider, from whatever examination you have made of this, to be Mr. Kissinger's role in this whole thing?

Mr. GARRETT. Maybe it would be helpful to outline what I see as the strategic debate that came down between Mr. Schlesinger and Mr. Kissinger on this issue, because they both favored specific moves, I think.

Mr. WOLFF. And Winston Lord.

Mr. GARRETT. Winston Lord was Mr. Kissinger's deputy, and he testified before your committee in March of 1976, I believe, and I believe his testimony represented to some degree Mr. Kissinger's thinking; but I think Mr. Kissinger looked at it as a tactical move. His tactical consideration was deterioration of Soviet relations of a détente relationship, of growing criticism within the Government of détente, challenges to continued Soviet military buildup, that sort of thing.

He saw a move toward China as a way of pressuring the Soviets to improve their behavior and détente. Mr. Schlesinger looked at the military problem and thought a strategic alinement with China, which on the one hand would strengthen and protect China and on the other hand would improve the military position vis-a-vis the Soviet Union globally would be advisable. And if it had a negative impact on the Soviet Union politically, that was of less concern to him.

Mr. WOLFF. I think the committee down the road in these hearings will be calling Mr. Kissinger and Mr. Schlesinger to testify here so that we could get a full impact of their role and their activity.

SOVIET REACTIONS

Mr. Toon, I wonder if you could give us an idea of what results you anticipate we could expect from the Soviet Union with the continuing progress we have made with the People's Republic of China, what sort of reaction?

Mr. TOON. First of all, Mr. Chairman, I wonder if I might just make a comment on Mr. Garrett's testimony which I found of great interest?

Mr. WOLFF. Please do.

Mr. TOON. I think we all should recognize, as you pointed out in your own remarks, that these studies are going on all the time about all kinds of possibilities, about all kinds of options. Frankly, I think it would be irresponsible on the part of the Pentagon, or the State Department, or the CIA not to carry out these studies, not to investigate the full implications of the tight relationship, for example, with China or the implications of a military supply relationship.

I think, frankly, it can be overdone, this stressing of the serious correlation between the fact that these studies were made and the fact that certain policies are now being considered which might reflect the content of those studies.

I think all of us who have worked in various policy positions in the State Department from time to time have engaged ourselves in this

sort of speculation. I myself as a Third Secretary in Moscow in 1951 drew up a paper recommending in effect that we move against Eastern Europe when Stalin died.

While that is the sort of irresponsible policy exercise that junior officers engage in from time to time, I think the fundamental point is—and certainly I think you are right, Mr. Chairman, to say you have got to get to the bottom of this sort of thing—but the fundamental point for all of us to recognize is that there is not necessarily the sort of alarmist connection between the fact that these studies have been done in the past and the fact that we are now giving, if in fact we are, serious consideration to developing a tight political relationship with the Chinese that perhaps has military overtones.

I hope that that will not be regarded as a too gratuitous observation, because I have been involved in this sort of thing myself.

IMPACT OF STUDY

Mr. WOLFF. I think there is a danger you have indicated—I think Mr. Garrett recognizes as well—that there is a danger of blowing out of all proportion the impact of an individual study. I think, however, from Mr. Garrett's remarks that I would conclude that what he sees is a trend that was created by a series of these studies or recommendations that seemed to be fulfilled by the series of events that have taken place.

Am I correct on that?

Mr. GARRETT. I think that is quite correct. I would urge that you try to obtain these documents and talk to the people involved.

My point is that we may be able to get some insights of where the relationship is going—not necessarily what the administration has in mind as a big blueprint, but the trend of what has happened, what kind of thing about the relationship has gone on, and what discussions have gone on. This may help us understand where the relationship is likely to go. If so, then I think we have done a service. If it is simply that these are wild contingency plans with no relevance, then I couldn't agree more with Ambassador Toon, and I certainly don't want to sound alarmist about this.

I am not criticizing. I am just saying this is what I see as happening.

Mr. WOLFF. We had a situation before which this committee was able to develop with some very serious repercussions going back to the Vietnam war. And the developments that we subsequently learned about that are having an effect right now on our trying to get the missing in action problem resolved with Vietnam, of the promises that were made, the secret promises that were made to Vietnam at the time and that were elicited from the people who made those promises with Mr. Nixon and Mr. Kissinger.

Under only great duress and pressure did they volunteer the information. Perhaps we'll have to get them to volunteer some more information. [Laughter.]

MASTER PLOT

Mr. PRITCHARD. Mr. Chairman, I would just like to comment on one thing that bothers me. Mr. Garrett, there are these studies going on, and they have to go on, and options have to be explored and con-

tingency plans written down, so that policies can be made. I think the thing that was a little disturbing to me is to put it in the context of some sort of plot.

It looks like some master person is moving these people around, and I am fearful someone who just picks up the highlights of this testimony assumes we have a small group of people who are moving from chair to chair in points of decisionmaking spots in our country with a very carefully laid out program of where they want to go.

I really think you are not being totally accurate when you come to that conclusion, because it is a legitimate viewpoint to have, if they do. Some people might have a legitimate viewpoint that we have a very close military relationship to China in view of the Russian problem, and that is a legitimate viewpoint.

I don't happen to agree with that, but I think we have to be very careful when we start naming people. I am not sure that that reflects their particular opinion because they were involved in those studies.

We have had such a plethora of that in our background, I must say it bothers me a little when we start naming people who are moving to different posts. If they are bright and they are young and they are at third levels, 10 years later they're going to be at higher levels.

I don't like to put tags on people.

That is really what came across to me, and I was a little disturbed. Now you may answer.

Mr. GARRETT. If that is what came across, I certainly would be disturbed as well, because nothing could be further from the truth of my investigation. I certainly don't hold that view whatsoever that there has been a plot or a conspiracy at all.

I named people simply to say that there are real people involved in this, and you know who they are. They have had great disagreements with each other. Some of them, as I say, have had bitter animosities with each other and sharp disagreements on many things.

Mr. PRITCHARD. I am aware of that.

Mr. GARRETT. There are Reagan people and Carter people. There is by no means any real agreement.

CHINA CARD

What I am saying is there are specific parts of the government, for one thing, that have responsibility for both the planning and the implementation of this kind of policy. What I didn't have a chance to go into is my sense that you have to put it in the context of what has been happening in United States-Soviet-Chinese relations.

I think in general you have had a process that when United States-Soviet relations have deteriorated, reached a crisis, the Chinese card has popped to the top of the Presidential options deck. To do something for China has appeared to the President as a way of trying to respond to what the Soviet Union has done. President Carter has done that and earlier President Ford did. This process has had some effect on the future of United States-Soviet relations which should be of some interest to this committee.

Nevertheless, these kinds of plans are what Ambassador Toon said; they are on the shelf. And the information that the Chinese are inter-

ested in buying, let's say, computers is also there, with requests from U.S. corporations to sell them to China. So it becomes a gesture to allow that sale to go through at a particular time.

Those are the kinds of things I am saying. It is a process that is going on. It is not a conspiracy or a plot or anything like that. And the studies happen to be available. If you decide because of Soviet behavior that you want to move another step forward in relations with the Chinese, you go to the shelf and you pull out a study that lays out some things you could do.

Mr. PRITCHARD. You would hope that there had been some previous thought on this.

Mr. GARRETT. Exactly what I am saying, that it fits into a strategic——

Mr. WOLFF. Mr. Garrett, we don't have time for speeches. [Laughter.]

PROBLEMS IN EASTERN EUROPE

Mr. PRITCHARD. Ambassador, we have you here, and because I view this as a triangle of the three countries, everything that happens to one country affects the other two.

Russia is now starting to have problems in Eastern Europe, which we talked about briefly, and it looks like they are going to continue. How would that affect their dealings with other countries and with China?

Mr. TOON. These problems, Congressman, are not new. They have existed for a number of years. They have cropped up in a much more serious situation in Poland at the present time than they have in the past. But I think that the inherent weaknesses in the ties between Moscow and the countries of Eastern Europe have always been there, and they will from time to time result in serious outgrowths of friction such as we have right now.

I don't think they're going to have much impact on Moscow's relationship with Peking, primarily because the enmity between the two capitals is so deep and abiding, and there may be a possible temporary rapprochement depending on shifts in personalities, but that will only be temporary.

I think the differences between the two countries now are recognized by most people who know something about the problem as being permanent, basically nationalistic in character, and will always be there. So while there may be troubles in Eastern Europe that may affect the climate to a certain extent, I don't think frankly that would have any long-range bearing on the relationship with Peking.

PEKING'S INTENTIONS

Mr. WOLFF. I want to repeat the question. One point I said, bearing in mind our historic lack of recognition for China, the shifts in Chinese policy, how clear of an understanding do we really have of Peking's intentions toward the United States and our role in Chinese policy vis-a-vis the Soviet Union?

Mr. PETROV. Mr. Chairman, I take a very limited view of the triangle. I think we have a tendency in this country to oversimplify the situation by employing images belonging to elementary geometry.

Each of the major powers has a world of its own to deal with, extending well beyond the existence of two other important nations and their triangular rivalries.

The world in which the Soviets live embraces much more than China and the United States. The same can be said about China and certainly about the United States of America.

We tend to focus on these three main protagonists to the neglect of some of the crucial developments taking place elsewhere in which neither a Soviet hand nor a Chinese hand nor anybody else's outside hand is significantly present.

If you measure the amount of energy which is spent in this city on finding out what the Soviets are doing, you will find that very little of it is left for attending to the rest of the world. If you analyze the functions of different people in the CIA or the State Department, not even considering the Pentagon, you will see that at least one-half and probably two-thirds, if not three-quarters, of our collective attention is focused on the Soviets. No wonder that time and again we are surprised when a crisis breaks out some place which nobody had watched, at least nobody in a position of responsibility, and we get caught unawares.

Mr. WOLFF. We understand that there are crises. The thrust of my question is do we really understand the Soviets' position vis-a-vis the United States and its Chinese relationship or the other way around?

Mr. PETROV. No; in my judgment we don't, mainly because we start with a simplistic assumption that the Soviets are out to do us in and have few other international objectives. I do not subscribe to that assumption. I think that over the years and until maybe 4 or 5 years ago, the most the Soviets aspired for was some kind of an accommodation, hopefully leading to a limited cooperative relationship with the United States. The Chinese understood very well that this was against their interests. Their concern over a possible superpower collusion was one of the key underpinnings of their foreign policy. The Chinese resented the idea of such a collusion. Its prospect was the straw that broke the camel's back in their relations with Moscow. In 1963, when the Nuclear Test Ban Treaty was agreed upon by the United States and the Soviet Union, they felt they were deliberately being left out in the cold by Soviet maneuvering, and they were of course correct.

SOVIET OBSTRUCTIONS

We firmly believe that the Soviets are mainly trying to obstruct our policies and undermine our interests all over the world and have few other goals. This is simply not the case. They deal with many more problems than those which are caused by the existence and policies of the United States as the leading world power.

I wish to repeat that to me we are indulging in gross oversimplification.

Mr. WOLFF. Ambassador Garthoff, would you agree with that?

Mr. GARTHOFF. I generally agree with that, yes. On the first point that Professor Petrov was making a moment ago, I would just add that I think it is particularly important to consider the perceptions of each of the major powers as to the roles of others, and as to developments occurring elsewhere in the world. And there may be a tendency,

for example, on the Soviet part sometimes to exaggerate American influence or activity in various areas, and also of China.

I think the Soviets, for example, were concerned about Chinese as well as American support for the other side in Angola. The Soviets were undoubtedly concerned and exaggerated in their own minds, as well as for propaganda purposes, alleged American and Chinese involvement in Afghanistan.

Mr. WOLFF. Thank you.

I'm going to turn the chair over to Mr. Mica, who will continue. That way the bells will not be interrupting us.

Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman. If you would just continue.

MOSCOW'S POINT OF VIEW

Mr. PRITCHARD. Let me follow.

Mr. Ambassador, you said we had responded so differently to Russia than we did toward China. The circumstances were really so different. China was going into Vietnam following what we voted and the ASEAN nations all voted was an invasion of Cambodia by Vietnamese forces.

I think it is hard to draw that parallel when you consider the circumstances. It seemed to me you were stretching things a little when you tried to draw the comparison of Afghanistan. Am I wrong?

Mr. GARTHOFF. As I mentioned before, there are indeed, as you emphasized, some important differences in the two cases, and they cannot be directly equated. But I thought it was useful, and I still think it is, to take a look, especially when considering things from Moscow's point of view, at those elements in the situation which were not entirely different.

True, there had been the prior Vietnamese military actions against Cambodia, and the Chinese were acting in that context and didn't act to subjugate the whole of Vietnam. Nonetheless, there was nothing in U.N. actions or otherwise which gave China any right to make a military invasion of Vietnam. And the United States did speak out against that instance of one Communist power using military force against another. But we did not let it impede in any way our continuing further development of relations with China, whereas in the other case we also had one Communist power acting against another, in which they already had military forces stationed and in which they already had a particular alliance position.

Mr. PRITCHARD. One was an occupation; was an incursion across the border and back.

Mr. GARTHOFF. True, although there were more casualties in Vietnam than there were in Afghanistan.

Mr. PRITCHARD. We don't have the whole record yet.

Mr. GARTHOFF. That is true. It is a different situation because it is an occupation, a continuing occupation. My point is not to suggest the two are the same; they aren't. But from Moscow's standpoint, they did not see why we should take it all out on them for using military force in a situation where they saw a vital interest, above all when we had just given a small slap on the wrist at most to China, and then went on to develop ties. From their standpoint, they saw the situation as one where a leading imperialist power could afford to take a somewhat different position than we had in judging between these actions of the two Communist powers.

ACQUIRING MILITARY HARDWARE

Mr. PRITCHARD. Let me ask you one other question, Ambassador.

I think you mentioned the sale of items. Now that military hardware is for sale on the world market, who should China get its military hardware from?

Mr. GARTHOFF. We don't yet know what will happen in the future. Everything that has been discussed of which we know so far involves rather minor quantities of equipment, but it may come to involve some rather sensitive forms of military technology. But I don't think it is a question so much of the military significance of the kind of equipment that we have so far offered to sell to China as it is the political implication of that choice on our part at a time when we have quite rightly made it a matter of principle not to sell military equipment to the Soviet Union.

I think we would have been better advised to maintain that position of principle applying to both countries.

Mr. PRITCHARD. On the basis that they are a Communist country?

SECURITY INTEREST

Mr. GARTHOFF. On the basis that our security interests are not served by our assisting either of them to develop their military potential.

Mr. PRITCHARD. Would you care to comment on that?

Mr. TOON. I agree basically with that. It is not the fact that it is a Communist country that should have stopped us from doing this, because after all, Yugoslavia is a Communist country, too, and I'm a very strong supporter of doing whatever the Yugoslavs think is appropriate in terms of military supplies.

I think Ambassador Garthoff is right, that we should look at this in terms of China and China's attitude toward us far down the road. As I said in my informal remarks at the opening, I don't think any of us understands the Chinese. Certainly I don't understand them, and I don't think our Chinese specialists understand them either.

In any case it does seem to me that far down the road a China armed to the teeth, as she intends to be, with a fairly strong economy probably is not going to be very benign in her attitude toward the United States, because they are against the sort of things we stand for. It is that sort of assessment that we ought to crank into our decisionmaking process when we decide this question of arms. So I agree with Ambassador Garthoff.

Mr. PRITCHARD. We get this with all countries that are purchasing arms on the world market. Do we participate in the sale? If we don't, do we do it because of the size of the country, because they are Communist?

Mr. TOON. We do it on the basis, as Dr. Garthoff said, on the basis of our assessment as to whether this really advances basic American national interests. I don't think it does.

Mr. PETROV. May I say a word here?

Mr. PRITCHARD. Yes.

HISTORICAL GRIEVANCES

Mr. PETROV. Maybe I don't understand China in the way some sinologist who had spent his lifetime studying it, but when I was in Peking I talked to lots of people. I have a very strong feeling that the major impulse behind the effort of the Chinese to get stronger militarily is rooted in their accumulated historical grievances which date back to the opium wars in the 19th century. The Chinese were pushed around by European powers and Japan throughout the 19th century and much of the 20th century. Americans also participated in some of the interventions and demanded "open doors" for themselves. Then after the revolution in 1911, China was split between various domains, rules by overlords who were unable and unwilling to produce one viable government. In the 1930's and the 1940's the Chinese were under a bloody attack by the Japanese. Beginning with the Korean war, there was a period when they felt that they were threatened by the United States, then fully backing the Nationalist regime on Taiwan, while the Soviets assumed the role of the big brother who was telling them what to do and how to live.

SUBORDINATE POSITION

The major impetus for China's break with the Soviets was its unwillingness to remain in a subordinate position. The Chinese felt they were independent enough and strong enough to finally come into the world on their own, and they had concluded that they couldn't accomplish their independence without taking a hostile posture vis-a-vis the Soviet Union.

The Chinese desire to be armed doesn't mean that they are afraid of a Soviet invasion. I have come to the conclusion that they are not. They are of course worried, but they have been worried for many, many years. There is nothing new in it, and that China today is in a much more secure position than it was 10 years ago when it was in virtual isolation, is neither here nor there. Now China is a full-fledged member of the international community with broad political and economic ties all over the world. It is much less vulnerable to Soviet pressure than ever before.

The Chinese desire to acquire weapons for the purposes of deterrence is natural, but it is also a matter of prestige for them and a matter of weight which they can exert dealing with other countries. I do not expect the Chinese to undertake military intervention any time soon, and they certainly need peace and security. But the very existence of a powerful China puts its capacity to affect developments in Asia in a different category altogether.

MILITARILY TOO POWERFUL

From what I know, in a number of countries surrounding China there already is considerable concern that China might become militarily too powerful, even if there are no visible signs that China is preparing to apply its strength. The Japanese, and all the ASEAN countries, with the possible exception of Thailand, are against Chinese military

buildup. The Vietnamese of course are even more concerned, but what concerns the Vietnamese does not particularly concern us. What is important for us to realize is that a material increase in China's might will produce a basic shift in the balance of power in the Asian Continent. And since a number of countries with whom we have close relations are involved here, I think we have to consider their feelings as well. This is not simply a question of making the Chinese more secure, and the Soviets less secure.

We are, after all, the most global of all global powers; our interests are worldwide, and because of it we are vulnerable in a number of ways. Major assessment of our policies must include all aspects of having a militarily strong China. This assessment has to be made before we start, doing a little bit here and a little bit there, incrementally arming China and then suddenly facing the consequences of an altered situation in Asia, with American interests probably threatened much more than anybody thinks about these days.

Mr. PRITCHARD. Mr. Garrett.

BACKING OFF

Mr. GARRETT. I would just like to say that I think we have gone quite a ways with China. Maybe my views are different from what other people think. I don't think you can back away from that relationship—from the expectations of it, from the commitments that are implied or explicitly made.

If we were to back away from the relationship we have with China now, I think it would have a very profound effect on the overall United States-Chinese relationship. And I do believe, and I think the evidence is very strong, that that relationship is a strategic relationship, and that normalization followed once there was agreement upon that.

We would therefore have a serious problem if we just simply backed away from what we have committed ourselves to, or maybe if we simply stopped the train where it is now. On the other hand, we have found ourselves in a situation where relations with the Soviet Union are very bad and deteriorating. I don't believe it is in our interest to let those relations deteriorate further.

I think we have entered into a number of arrangements with the Soviet Union such as the SALT process which are in our interest, and we need to continue them, so we have a problem.

I might add that I think evenhandedness has failed here, too. What we do to serve our interest that promotes the Chinese relationship may undermine our relationship with the Soviet Union, and what we do with the Soviet Union may be seen as collusion by the Chinese and undermine that relationship. We have a very difficult problem ahead of us.

Evenhandedness hasn't worked and will not work. We need to have a vision of where we are going in the future. That is what we are lacking. What do we want it to look like? Do we simply want to arm China and come to a stronger and stronger relationship with China and a deteriorating relationship with the Soviet Union, a kind of new encirclement of Moscow that leads to more tension, higher defense budgets, and greater chance of war?

On the other hand, as I say, you can't simply back off. My underlying feeling is that we need to evolve a policy that can go toward something—I hate to use the phrase "triangular détente" simply because I think it has too many negative images, but some kind of overall easing of tensions. And I think the United States is in a position to sponsor that.

If we were to say that arms control was in the interest of all three powers—I think China's nuclear arsenal is an increasingly important fact in SALT—we could sponsor a kind of coming together of the three powers in some way. I'm looking 10, 20 years down the road.

I think that could serve our interests and considerably lower world tensions, but I think it is an extraordinarily difficult process. My mind is not made up on the issue of arms sales to China. I think the context is far more important than this decision to sell them F–15's or not.

Mr. PRITCHARD. Thank you.

BASIS OF UNITED STATES-PEOPLE'S REPUBLIC OF CHINA RELATIONSHIP

Mr. MICA. Thank you, Mr. Pritchard. And now I will proceed with some questions, and I might ask you your assistance. If some of them have been covered, I will read them later in the record.

I can't help but think with the last comment, I wonder if we can talk together or work together with the Chinese without a mutual threat. Is that what it has come to? Do we consider that the basis of the relationship right now?

Could you comment on that? And our mutual threat right now being the Soviet Union. Remove the Soviet Union, do we have a relationship with China, Doctor?

Mr. PETROV. I see no reason why not, if we could stop seeing China as a mere component of our national security. Time and again in our conversations here in Washington and here today we use the term "strategic"—strategic, strategic, strategic—which often conceals an unhealthy wish to delegate part of the task of protecting U.S. interests to other nations. This obsession with strategies which are far removed from the real world obstructs our thinking.

It is my considered opinion that we have to deal with the world as it is and not with abstract concepts which we allow to direct our policies to the detriment of the normal conduct of international relations. There is absolutely no reason why the United States cannot maintain a friendly and productive relationship with China. It is in America's interest. It is in China's interest.

The Soviet case is more difficult, but we tried to get along for 2 or 3 years even with the Soviets, from 1972 until approximately 1975, and things didn't look too bad until some people got alarmed because the Soviets claimed to be coequal with us. The American people believe that we must remain the first in the world, and be able to determine the way the world is revolving. This sentiment is understandable, but it does not address the reality of the situation.

We know that the Soviets have global ambitions which go far beyond what the Chinese aspire to, and that presents a difficult case for us even if we take into account the enormous handicaps which they face.

But in any case we cannot simply wish that the Soviets disappear from the face of the Earth. They are an objective reality and they are what they are.

There is no way for us to reform them and they resent any attempts on our part to make them into something else. They demand quid pro quos and do not respond to our manipulation, and this is a hard fact of life which we must reckon with.

SHOULD NOT INTIMIDATE SOVIETS

We cannot intimidate the Soviets because once we have started down the road of intimidation, we will be forced to consider nuclear war as an ultimate resort. Naturally, we are not prepared to go that far, so we make one threatening statement after another, apply one form of punishment after another, and in the end still see that the Soviets haven't evaporated, that they are doing what they can to advance their interests, following their own and not our judgment.

They are not alone in rejecting our judgment. Hardly anybody accepts it. South Korea doesn't. Israel doesn't. Japan doesn't. France doesn't. Germany doesn't. Turkey doesn't. We claim to lead the world, and nobody follows. [Laughter.]

I think this is a hard reality that we must come to grips with at some point. And unless we abandon the fantasy that we lead the world and start dealing with other nations on the assumption that they are sovereign in deciding their major policies, that they are entitled to pursue their developing relations with other countries, we will be sitting psychologically in the same spot 10 years from now, 20 years from now, except that we will be much poorer and have fewer friends in the world than we have now. I am not against exerting political or economic pressure to advance our interests, and an occasional arm-twisting is normal in international relations. I object to resorting to threats, especially if they lack credibility.

NO DRASTIC U.S. CHANGES

Mr. MICA. I notice that you made that comment on page 6 of your prepared text. You did not use the political comment that ended that first paragraph. Was there a reason for that? You made a political comment about the possible next President of the United States which you left out in your statement to the committee.

Was that a change of judgment? [Laughter.]

Mr. PETROV. From all I know about Governor Reagan and some of his advisers, several of whom have been my personal friends since the early McCarthy days. [Laughter.]

Mr. MICA. Did you say MacArthur or McCarthy?

Mr. PETROV. Joseph McCarthy, the Senator from Wisconsin. These are dedicated people who have been in and out of Government, who advised the Government, taught in universities, and worked in various think tanks, all the while focusing their attention on fighting communism and the Soviets. I may be wrong, and a miracle will happen, and Ronald Reagan could be a blessing instead of a disaster. In fact, I don't expect a disaster because the way American politics and Government work, no conclusive results ever ensue.

So I don't anticipate anything drastic, but I do anticipate that there will be no improvement in our international posture, especially in our relations with the Soviet Union and China. Governor Reagan has been perceived to be a sworn and single-minded enemy of communism, and the Chinese are very apprehensive about his general philosophic disposition, wondering what it might mean for them. After all, they say, we're also Communists. How will it affect us?

The heavy impact of ideology on U.S. policies is bad enough as it is, and I expect that if Ronald Reagan becomes President, the Government is going to be even more ideological, less pragmatic. And I'm no admirer of President Carter, believe me. [Laughter.]

FUTURE USE OF WEAPONS

Mr. MICA. I will leave it go at that. [Laughter.]

I'm not sure who will be most qualified.

Getting back to the arms situation and future use—I mentioned this in front of this committee before—I had great concerns when I picked up an article that the Chinese had taken one of our commercial airliners and started to take it apart and make patterns from it, I guess would be the word.

Have you read that comment? Does that give you any concern as to future use of any equipment or weapons or materials or supplies? I have great sense in trying to work with all people all over the world, and China is a nation where I think we really ought to go the extra mile. But I have great concern when I read an action like this.

May we start with Ambassador Garthoff?

Mr. GARTHOFF. I don't have any particular contribution to make on that. I think it is certainly a possibility that in one or another case the Chinese or the Soviets or someone else may seek to take advantage of technology transfer on the cheap, so to speak. And that is something we have to take into account.

Mr. MICA. I don't know this. Do we have this problem with other allies? I don't know that we put them all in the same category, but the British, the French, the Japanese buy American products and military hardware, and we find the same thing we designed and marketed under a Japanese label.

Is that an ongoing problem?

Mr. GARTHOFF. I am not an expert in this area. Perhaps someone else could add more. But I have the impression that this is not a general problem, not only with our allies but with others. It is not in most cases that easy to get a jump up in technology simply by buying—there may be important exceptions, but I think they are nonetheless exceptions. Across the board it would be very difficult.

Now, it may be in the case of China where industrial development is rather far behind, that there might be greater opportunities for doing this than, let's say, in the case of the Soviet Union where they may do it from time to time, but not on the whole, for reasons of practicality and the general movement of the technological frontier.

SOVIET REACTIONS

Mr. MICA. Let me just focus on one other area. We talked about the possibilities of working with the People's Republic of China without a Soviet threat. Let's assume that we move forward—and I think the

Chairman asked this question in his opening statement. If we move forward with military sales, what kind of reaction can we expect from the Soviet Union?

Mr. TOON. I might take a crack at that. I think in the first place they will be very unhappy if this developed, as they made perfectly clear in their public statements and in their private talks with me when I was in Moscow and with Secretary Vance and others.

Nonetheless——

Mr. MICA. How would they express their unhappiness?

Mr. TOON. I can tell you how they did it with me. They simply said you don't understand the Chinese the way we do, and if you did, you wouldn't take this action because these people are out to engineer an all-out nuclear war. That is their basic aim. That is the line they took with us.

And I think this is more or less the line you see in their public statements.

Mr. MICA. Do you think this will be confined to that type of expression of disappointment, not surreptitious activities in other parts of the world, actions in other countries?

Mr. TOON. I think they're going to continue that sort of activity in accordance with their broad political design. It has nothing really to do with their pique over what we're doing with the Chinese.

I think if in fact they were convinced that we were entertaining the idea of a serious political, arms-supply relationship with the Chinese that it would be very difficult to contemplate any sort of continuation of the SALT process, despite the fact that this happens to be in their national interest, just as it is in ours.

But I think it is this sort of relationship which they would find very difficult indeed to carry on, if in fact we went this route, more or less along these lines.

SOVIETS IN AFGHANISTAN

Mr. MICA. Do you or do any of the other panel members have any feeling or any information to indicate that any of the recent Soviet activities—say in Afghanistan or any place else in the world—were a result of our stepped up activity with China?

Mr. TOON. I think the movement against Afghanistan was primarily a localized action to shore up a tottering regime which they themselves had installed, and this was more or less a standard Soviet policy of never retreating from a position of power once they have established it.

The only exception to that of course in recent years has been in Iran in 1946 when they recognized we had complete nuclear and military superiority, and they had to back down.

I think at the same time you cannot exclude the possibility that they also had in mind this move as a further step in the encirclement of China, but I don't think it is tied exclusively or even importantly to our move with regard to the Chinese.

SOVIET-VIETNAM TIES

Mr. MICA. Dr. Petrov.

Mr. PETROV. I want to develop the subject a little further. The emergence of the American-Chinese connection has definitely influenced the Soviets in applying more pressure upon their allies in recent years. For

instance, the Vietnamese kept turning down for a long time Moscow's demands to station their supplies and intelligence facilities in Vietnam but after the Chinese with our presumed acquiescence had taught them a lesson early in 1979, Hanoi relented and from what I hear, Camranh Bay and Danang are now almost full-fledged Soviet bases. To reinsure themselves vis-a-vis China, the Vietnamese had to accommodate Soviet interests. There is no sentimentality involved here; we know that the Soviets have never particularly liked the Vietnamese—or vice versa. Helping Hanoi was very costly for Moscow during the Vietnam war which, in addition, messed up Soviet plans to move toward détente with the United States. It's no secret that the Soviets pressured the Vietnamese for negotiations in Paris, and Hanoi didn't like it either. But the change in the strategic picture in the last few years made the leaders both in Moscow and Hanoi forget their feelings. Since Vietnam's security depends heavily on Soviet support, it had to reckon with Soviet wishes.

It works both ways. For instance, the Soviets initially did not favor a Vietnamese incursion in Cambodia. But perceiving a greater threat of China, backed by the United States, and confronted with the Vietnamese' stubborn drive to dominate Indochina, the Soviets had no choice but to underwrite Hanoi's ambitions. I don't doubt that Hanoi in many ways is very independent from Moscow.

Mr. WOLFF. But do you think that they would have engaged in that incursion if they did not have the consent of the Soviets?

Mr. PETROV. I would not exclude that at all. I think we underrate very badly the determination of Hanoi to pursue its own policies in the region of Southeast Asia.

Mr. WOLFF. But they could not have had they not had the military supplies from the Soviet Union.

Mr. PETROV. The Soviets are no more capable of cutting off supplies to Vietnam because of policy differences with Hanoi than we are of cutting off supplies to, let's say, Israel, although Israel sometimes pursues policies at variance with the American interest. A great power does not lightly break relations with an allied nation only because the latter at the moment insists on pursuing its own selfish interests.

There are limits to which any government which wants to play a major role in international affairs can go in forcing its will upon its junior allies. If it starts bringing the relations to the breaking point, it'll end up being rather lonely.

SENSITIVITY ON FRIENDSHIPS

One thing which impressed me in my conversations with the Chinese is the extreme sensitivity with which they treat friendships. They don't have that many nations which they can call friends, but they have some. North Korea is one. Pol Pot's Kampuchea was another. Pakistan is yet another. They still lament the loss of Albania which was at a certain point in history a Chinese friend. Generally speaking, a country which doesn't have friends in the world cannot function internationally in any impressive way.

We have so many friends that we are rather careless about them. We don't care very much whether they approve or disapprove what we are doing. We don't consult with them often. We are strong and

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wealthy, and our interests and influence are global in a real sense, and we are often tempted to push our friends around.

The Chinese don't do that, and the Soviets don't do that, at least publicly, unless a hidden crisis erupts and the appearance of friendship can't be preserved any longer.

Mr. WOLFF. You said we had many friends. I would just like to express that my grandmother would say you are a mouth to God's ears. See, I don't think we have that many friends.

INTERDEPENDENCIES

Mr. PETROV. We don't have affectionate friends. [Laughter.]

But we have very many nations in the world which have become interdependent with us economically and politically, certainly insofar as Europe or Japan is concerned. Some kind of bond or affinity remains even if we dislike what they are doing, or they disapprove of what we are doing.

These are not sentimental friendships, but nations which depend on each other sometimes go out of their way to accommodate others.

Mr. WOLFF. These are more dependencies than friendships.

Mr. PETROV. Of course.

Mr. WOLFF. That is a difference here. That is one of the things I think we ought to investigate in this particular hearing, the question of whether or not it is a dependency, whether or not we are building a relationship with China based upon a dependency or whether we are basing it upon a friendship and common interest. I think that is one of the very basic elements that is involved here.

I strongly feel that our relationship with the People's Republic of China is dependent upon common interest and not just based upon a common adversary. If it is based upon a common adversary, then sometime in the future that common adversary will not be there, and the relationship will be nonexistent. Therefore, I think it is important for us and for you who are the sovietologists and the sinologists to look at the common interests.

The question is whether or not military assistance is a common interest for us and is a point for the basis of our discussions here today.

Mr. PETROV. I entirely agree with you, Mr. Chairman. I entirely agree with you.

Mr. MICA. It is good to see that. In fact, Mr. Chairman, before we finish this hearing I would just like to say if my sense is correct, this whole panel agrees with everything that each of the other members are saying. Is that true? [Laughter.]

Mr. TOON. No I don't.

Mr. MICA. I didn't think so.

SOVIET INTENTIONS

Mr. TOON. First of all, I agree with the Congressman, and frankly, I think all four of us here agree basically with the thrust of what the Congressman is saying with regard to our relationship with the Chinese, but I do not share the rather curious assessment of Soviet motivations and Soviet ambitions which Dr. Petrov has expounded at some length.

I do not necessarily feel that the Soviets would do us in, as Dr. Petrov put it. I think frankly they would consider doing us in if, in fact, they could do so without acceptable damage to themselves.

I feel this world will become a very dangerous place in terms of Soviet ambitions and their intentions to realize those ambitions if we should collapse our military posture and give the Soviets the impression that we do not have the guts, and the wherewithal, and the resources, and the national determination to protect our vital interests wherever they may be threatened. That is when the Soviets will think seriously about doing us in. So long as we remain strong and so long as they understand that we have the ability and the national will to protect our vital interests where they are threatened, then of course they are not going to think along those lines.

I do not have the same sort of optimistic appreciation of long-range Soviet aims as Dr. Petrov has. I just wanted to make that clear for the record.

I also want to point out that I think perhaps none of us knows precisely what the Soviets said to the Vietnamese before the Vietnamese invaded Kampuchea. I don't know, for example, that the Soviets tried to discourage the Vietnamese from moving against Kampuchea. Certainly one thing we know, and that is on the record, is that the Soviets signed their treaty of alliance 3 days before the Vietnamese move. Clearly, the Vietnamese knew that they had that sort of backing at least from the Soviets. If, in fact, the Soviets were unhappy about this move, it was not because of what the Vietnamese might do; it was because of what the Chinese might do against Vietnam, which in turn would put the Soviets in a difficult position, in terms of their alliance with the Vietnamese and their general relationship with any Communist ally that was threatened by someone else.

I just wanted to get that on the record.

TAIWAN AND CHINA

Mr. MICA. Ambassador, I thought you had something to say along those lines.

I would just like to ask this last question. Obviously I have tried to steer away from this, but there has been a great dispute amongst the Presidential candidates on our Taiwan-China relationship.

One of the things that bothers me is their knowledge of the political process, the intimate details of the process. Do they have an understanding of what we're going through right now, what this rhetoric does or does not mean? Is there any sense of immediacy to say some of the threats or comments as they may be perceived from either of the Presidential candidates with regard to Taiwan or China?

What is the understanding, if one of you know this, of the Chinese of this process? Most of the American people say there are 500 promises, and we will be lucky to get 50 of them. This is a process we go through. Some of this is meant to be serious, and we can tell by innuendo, by comment, whether it is really a solid position or a political position or something that is current today and may be gone tomorrow.

Is there a sense of this, and particularly in the translation into something like the Chinese press? That concerns me because some

of the comments have been, I thought, with all due respect to Governor Reagan, a little difficult.

Mr. GARRETT. I would make one comment on that. I think the Chinese leaders have their own domestic political problems, just as ours do. Our leaders say things toward foreign powers often aimed at domestic audiences. I think that the arrangement carefully worked out by the Carter administration, worked out by several administrations on Taiwan——

Mr. MICA. And the Congress.

CHINA'S DOMESTIC PROBLEMS

Mr. GARRETT. And the Congress, was an important one. It was not the primary issue in United States-Chinese relations, but they had to work it out at home. And if it looks like to other people in China that that is coming undone from statements made in the United States, I suspect that raises a political problem domestically for the Chinese, particularly with their political processes that are going on in China right now.

I think in that context it might be the best way to interpret the reaction. One simple comment is that it may be a gesture to President Carter also. They probably recognize the impact of their statements.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA RELATIONSHIP

Mr. WOLFF. If you don't mind a comment at that point, I really think we should go a little bit further than that. First of all, insofar as domestic consumption by the Chinese people is concerned, that which the leadership desires to reach the Chinese people will reach the Chinese people; otherwise it will not. That is point No. 1.

I think it goes far beyond questions of just the domestic consumption of the Chinese. I think it goes to a very sensitive nerve that exists in the relationship between the People's Republic of China and the United States. I think we were very careful and it was worked out in the most minute detail. I can tell you that the whole question of the normalization process was one that evolved in a fairly obtuse fashion rather than a direct one, as a result of a position change that was taken by the People's Republic of China.

On that basis I think it is very dangerous for us to tamper with that process. It is not a question of coal consumption by the Chinese, but it is their perception of a relationship that they have built. They have made certain concessions, and we have made certain concessions, and Taiwan has made certain concessions.

Why just throw all of that to the wind and start this whole process all over again? I think that is the important element that is involved.

LACK OF CONTINUITY

Mr. PETROV. I believe you can make a step beyond that, Mr. Chairman, and say that lack of continuity in American foreign policy and unpredictability of American politics in influencing foreign policy in general is a source of major distress both to friendly and unfriendly countries all over the world.

Washington has a half dozen centers of power, excluding Congress, and if you include Congress, you probably have to add 535 centers of power more. We are inclined to easily excuse ourselves. We say that is the way we are, that is how our political process works. But foreign governments which are normally dealing with other governments as units constantly strain themselves watching the American political scene so as to predict what surprise is going to come next. They are always kept in a state of suspense on any domestically sensitive issue involving U.S. policy. And there are lots of such issues in the world today.

Mr. MICA. I believe Ambassador Garthoff had a closing comment.

Mr. GARTHOFF. I will be very brief. By the way, I generally agree with the observation Dr. Petrov just made. I wanted to add a comment a moment ago along the line which the gentleman has already set forth very well.

I think it is likely that the Chinese have had a domestic audience among elements influencing decisions within that country, but I also think that they did very much have in mind taking a strong position as a matter of principle, and to influence all of American political figures, including Governor Reagan but including others as well, to emphasize that they wanted no change made in this situation.

They may be taking a stronger position than they could live with if some change were made, but nonetheless, it is a matter which is of great importance, and on which they wanted to stake out a clear and strong position, in part probably to influence the positions that are taken during the election campaign, but also beyond.

Mr. PRITCHARD. It was tailor made, wasn't it?

Mr. MICA. Thank you, Mr. Chairman.

Mr. WOLFF. Thank you.

One point is as people who are expert in the analysis of Soviet affairs, do you think that the Soviets will move upon the Chinese?

SOVIET-CHINESE AGGRESSION

Mr. TOON. I think there is at least circumstantial evidence, that at one point in the fairly recent past there was serious consideration within the Politburo given to a quick, surgical strike against Chinese nuclear facilities. So that I think you cannot exclude this possibility.

As you know, just to carry this report a little bit further, there was a rumor to the effect that the Soviets consulted us about this possibility. I can tell you from my own personal knowledge this never took place. As far as I am aware, the Soviets never consulted us about this possibility; it was never broached to anybody in any official responsible position.

But I think that background indicates to you that at some point depending on their perception of where we're going with the Chinese, they could possibly go back to a consideration of some sort of an attack on the Chinese.

Well, Dr. Petrov is shaking his head.

Mr. PETROV. I beg to disagree.

Mr. TOON. I expected that.

Mr. PETROV. What Ambassador Toon just said is unlikely to happen any time soon. The gap between Moscow and Peking is too big. As to

the other question, there were rumors to that effect, that the idea of a surgical strike against Chinese nuclear facilities was once considered but quietly shelved. The Soviets do not regard a military solution as a practical solution of their dispute with China.

Mr. MICA. But there was consideration.

Mr. PETROV. Only once, in 1969 when their relations came to a boiling point, and not since.

Such plans are of little relevance. I'm sure we have contingency plans for invading Canada and Mexico, but so what? [Laughter.]

After all, people in the Government have to earn their salaries in one way or another. [Laughter.]

Mr. TOON. Sometimes. But, we do not have contingency plans for the invasion of Canada. [Laughter.]

Mr. PETROV. I still suspect that somebody in the Pentagon probably has a little folder where he puts the product of a few minutes of his work.

Mr. TOON. Keep it quiet. [Laughter.]

Mr. PETROV. But talking seriously——

Mr. WOLFF. Any resemblance to people living or dead is purely coincidental at this point, is that right? [Laughter.]

Mr. PETROV. The Soviets would have to feel gravely threatened before they would seriously consider a strike against China. I do not foresee them doing it just to get rid of a strategic threat south of the border. This kind of action is of such dimensions, and the worldwide consequences for the Soviet Union are bound to be so drastic that the losses would outweigh the gains by far. I do not regard the Soviets as a bunch of crazy adventurers or suicidal maniacs.

MILITARY ASSISTANCE

Mr. WOLFF. By now we have come to the other point, the other side of the question. If we do not countenance a Soviet move, then why the military assistance program to the People's Republic of China?

Mr. PETROV. To the People's Republic of China?

Mr. WOLFF. Our program that Mr. Garrett talked about.

Mr. PETROV. China, as it is now, already causes problems for the Soviets, first of all economic. There are sizable budget allocations to maintain 45 divisions along the Chinese border which have to be clothed, trained, equipped, et cetera, with all the resources taken out of the civilian economy. This is a costly proposition.

From the Soviet perspective, any increase in Chinese military power would require an increase of their own power, to contain China. The Soviets can spare only that much and no more for their military needs.

Mr. WOLFF. Then why should we not engage in a program of assisting China to make it more costly to the Soviet Union?

Mr. PETROV. So that the Soviets will go bankrupt? This one strategy has been discussed for years in this city: to expend the Soviets into bankruptcy by accelerating our military buildup. If we feel rich enough, I suppose the idea may have some merit. But to implement it, we don't have to go via China. If we increase our own power, forcing the Soviets to match it, we at least retain the ultimate control over it, whereas building up the might of China which is not and never will be under our control is a very different matter.

Mr. WOLFF. If we had Boardwalk and Park Place. [Laughter.]

VICE PRESIDENT'S STATEMENT

Mr. PRITCHARD. I was very disturbed by a statement the Vice President made when he said—I believe it was in Peking—that your enemies shall be our enemies.

I will ask you, Ambassador, how did that type of talk strike you?

Mr. TOON. Well, frankly, I have not been at all happy with the way in which we have normalized our relations with the Chinese, and this has been no secret. I complained about it from Moscow both publicly and in message to Washington. Certainly that sort of statement is precisely the sort of statement that we should not be making.

I would be in total disagreement with that approach. I think frankly we ought to be a little more rational, less emotional in how we handle the problem—the way we handled Deng Xaioping when he was over here I thought was disgusting and disgraceful. It sort of reflected an emotional tie between ourselves and the Chinese which may exist at some point but does not exist at the present time. I think the Vice President's statement should be considered the same way.

Mr. WOLFF. Excuse me for interrupting, but you made a statement, and I must say since I was part of being close to the Vice Premier, I differ with your reaction to this because we have been received in the same fashion in the People's Republic of China.

Mr. TOON. I wasn't talking about the way in which you treated him. I was talking about the way other people treated him.

Mr. WOLFF. I think we should treat him as a guest and as a person who we hope to have continued relations with. I'm sorry to interrupt you, but I just don't go along with that. We get into a bad spot when we start to get into characterizations. That is all I am saying, Mr. Ambassador.

I think it is most important that we treat the relationship with the People's Republic of China as we treat the relationship with any country of the world, not in any special way not because of the fact there exists a Soviet Union, but because there exists a People's Republic of China with whom we have to have some sort of relationship.

Mr. TOON. I agree with that.

RAPPROCHEMENT WITH CHINA

Mr. PRITCHARD. I guess the last point is I have been worried not so much about the rapprochement that we are having with China, which I think is the right thing, but I guess it is the speed of the time frame. We seem to be moving so rapidly, maybe faster than we actually have a policy. We may be running ahead of our roadmap.

We are out ahead because as Americans we always want to do things quickly and do it now. Do you feel we are in control over where we are going in that relationship?

Mr. TOON. As I said before, and perhaps I will agitate the Chairman, it is not just the tempo that bothers me. That bothered me in Moscow. It bothered us when we were trying to work out the SALT agreement, as you know, but it is also the way and the atmosphere in which we are doing this sort of thing which frankly disturbs me.

As I said in my opening remarks, I certainly agree and agree wholeheartedly with the policy of normalizing our relationships with the

Chinese. It is a policy which was strongly recommended by us professionals years ago in the Foreign Service, but I think we ought to do it without any illusions, we should look at the problem in terms of our own national interest. That is the way I feel.

Mr. WOLFF. Thank you very much for your time and the great depth of knowledge that you have given to us. We certainly will follow through on many recommendations.

The subcommittee stands adjourned.

[Whereupon, at 4:40 p.m., the hearing was adjourned.]

THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA: ISSUES FOR THE 1980'S

TUESDAY, SEPTEMBER 23, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS,
Washington, D.C.

The subcommittee met at 3:05 p.m. in room 2200, Rayburn House Office Building, Hon. Lester L. Wolff (chairman of the subcommittee) presiding.

Mr. WOLFF. The subcommittee will come to order.

I must beg your forgiveness. I apologize to all of you for taking so much of your time. We had a series of votes on the floor that were carried over from yesterday which I thought would be about 10 or 15 minutes and it worked out to be just about an hour. We hope that the votes have concluded by now.

Today, the Subcommittee on Asian and Pacific Affairs resumes its current series of hearings on United States-China policy, and relations between Washington and Peking, with special emphasis on the influence of those relations on the broader context of United States-Chinese-Soviet relations.

Today's hearing is actually "part two" of our August 26 hearing, at which our witnesses focused on the broader strategic context of the United States-China relationship. In contrast, the opening hearing of the series, on July 22, dwelt upon the United States-the People's Republic of China bilateral relationship and the concrete steps we can take to build a strong and enduring relationship with China—one capable of avoiding the radical and wrenching swings which have historically characterized our relations.

Many of our witnesses, and I, speaking as a member of this subcommittee, have cautioned against a United States-China relationship which appears to be based on solely an anti-Soviet relationship, or alliance of some sort.

At our last hearing, there were differences between at least two of the witnesses over the issue of Soviet reactions to the United States-Chinese relationship. We hope that that debate will be continued today, if not finally settled.

GROWING MILITARY TIES

We place great reliance and hope upon you who sit at this table. Also of importance, at our last hearing, was testimony indicating that despite the recent public and press interest on the growing strategic

and military ties between China and the United States, there is a substantial body of opinion that such a relationship has actually been fundamental since the early 1970's.

Further, as Banning Garrett advanced in testimony on his research, he has concluded both the Department of State and the Department of Defense have long been engaged in detailed studies on ways and means of effecting a strategic and military relationship with the People's Republic of China.

Just how much of those plans have been or will be carried over into policy remains to be seen. As for this subcommittee, I would note that we are attempting to persuade the executive branch to declassify some of the studies involved, so that we can reach our own determination on the facts.

As I have commented at previous hearings, we continue to share with many of our witnesses a general concern that there is a lack of clarity and definition in United States-China relations, and that this is illustrated by both the apparent ambiguity of many of the administration's statements and actions, both in the past, and of late.

EXPORT LICENSES

For example, the administration has attempted to pass off as both an exaggeration, and "old news," a report stemming from the Perry-Dineen mission that some 400 export licenses have been granted China.

In fact, we now discover that the figure should be approaching 600 licenses. The fact that many people in Washington, and Peking, whose jobs should entail such knowledge in fact did not know, would seem on the face of it, to illustrate our concern that the policy of this and past administrations is unclear, and not adequately stated—both within and without government.

To conclude, then, I would recall the four key questions which we posed at the outset of our previous hearing, and ask that our distinguished witnesses feel free to deal with them as they think useful.

I would like to welcome Leslie Gelb, former Director of the State Department's Bureau of Political and Military Affairs; Richard Pipes of Harvard University, and the Committee on Present Danger; and Ross Terrill, also of Harvard, and author of a recent biography on Mao Tse-tung.

I want you to know that we do not specifically ask Mr. Terrill and Mr. Pipes come before this committee because my opponent in the present election wrote a book about Harvard, but merely because we think you are expert in your own field and can contribute to the overall debate that is taking place.

KEY CONCERNS

These are the key questions we have been posing our witnesses:

First. What results can we expect with our new ties with the People's Republic of China to have on the U.S.S.R.? What sort of a reaction can we expect should the United States-People's Republic of China relationship develop an increasingly military nature?

Second. Bearing in mind our historic lack of understanding of China and our failure to foresee major shifts in Chinese policy, how clear of

an understanding do we have on Peking's intentions toward the United States and of our role in China's policy vis-a-vis the Soviet Union?

Third. Can we realistically expect the Soviet Union to put aside 20 years of conflict with China and view the Sino-American relationship in a bilateral context and not directed against the U.S.S.R.?

Fourth. Finally, some Pentagon officers are reported to judge that U.S. military ties with China are an important "quick fix" for the recent widely publicized strategic imbalance in East-West relations; is there an element of this kind of thinking in our current policy toward China?

I made a long statement so I guess we will let you make long statements but if you could summarize your statements or give them in their entirety they will all be included in the record.

Mr. Gelb, I would like you to lead off, if you please.

STATEMENT OF LESLIE GELB, FELLOW, CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Mr. GELB. As you know, Mr. Chairman, I have no prepared statement. You agreed to take me naked on this and what I will do is summarize my summary in the hope of meeting your objective of finally settling what we should do about triangular diplomacy, although I suspect the final settlement will be that there is no settlement.

I will cover three areas that you suggested in your letter to me. First, triangular diplomacy as a framework for U.S. policy; second, how the Soviets may see this; and thirdly, remarks on U.S. policy.

Necessarily this will all be cryptic and there will be many things that there is not time to say.

Mr. WOLFF. We will give you the opportunity for revising and extending.

Mr. GELB. Thank you very much. First, the framework for U.S. policy. The two areas that I would like to touch on here are, one, triangular diplomacy as a starting point for thinking about U.S. global strategy and; second, triangular diplomacy and the issue of U.S. influence on the Soviet Union.

TRIANGULAR DIPLOMACY

On the first, triangular diplomacy as a starting point for thinking about global strategy. Here I think the first point to understand is that Sino-Soviet reconciliation or confrontation would be dangerous for the United States. If they reconcile, I think we must frankly state that it would cause us some real strategic problems, that, is if there is a true and full reconciliation. If there is confrontation, that would also cause us problems because there would be the danger of U.S. involvement.

Thus, from the beginning of the opening of U.S. policy toward China, there has been a requirement for balance in our relations between China and the Soviet Union. But balance has been increasingly difficult to maintain because China has been and is very weak and an evenhanded policy between Moscow and Peking necessarily favors Moscow because Peking is the weaker. So I think over time the previous administration and this administration began to lean somewhat toward China. Thus, triangular diplomacy, as Mr. Kissinger initially established it, died an inevitable and natural death.

The central strategic questions are now not whether one can establish an evenhanded policy—I think that is past—the questions are now how far should we lean toward China and what effects will it have on our relations with the Soviet Union?

AFFECT OF U.S. INFLUENCE ON MOSCOW

This brings up the whole question of how triangular diplomacy affects U.S. influence on Moscow. There are two points here that I think ought to be addressed. First, the structural influence that we have over the Soviet Union by virtue of the fact of the Sino-Soviet split; and second, the policy influence that we have as a result of specific decisions that we take or don't take.

I think that the two often get confused. They ought to be separated. In my own mind there is no doubt we do derive some structural influence from the fact of the Sino-Soviet split. It means that on virtually every issue China and the Soviet Union will take opposing views. This gives the United States some freedom to maneuver in situations and some freedom to stand aside if we choose.

The fact of the split between China and the Soviet Union has also, I think, created certain dispositions in Moscow to try to get along with us better.

Policy influence, that is, influence as a result of decisions we make here, is a very highly judgmental question. How much do we get out of the particular games we play or don't play with Peking? Some argue that we do get influence, even considerable influence, over Moscow by making certain moves toward Peking. You will remember that Henry Kissinger argued that the opening toward China was the move that triggered the Soviets in deciding to settle disputes over Berlin and finally moving toward the SALT I agreements. Others could argue, too, and I think just as convincingly, that the Soviets had many additional reasons for moving toward détente with us quite apart from China policy and that they would have signed the SALT agreement whether or not we had opened relations with China.

But some argue quite the reverse, Mr. Chairman. They argue that to the extent we do a variety of new things, establish new relations with Peking, it will have the opposite effect on Moscow; that is, it will make Moscow tougher toward us, less likely to compromise their differences with us. These people point most recently to the conflict between the decision to normalize relations with the People's Republic of China and the Soviet decision in December 1979 not to conclude the SALT II agreement.

I personally think that this is an issue on which there is a lot of emotion and very little evidence to establish the truth. To us what goes on inside the Politburo is still a black hole and we are not quite sure why they do or do not do things. But as you know, though we don't know the truth or how to establish it on something like this, it is nonetheless a particularly highly charged political issue and foreign policy issue.

VIEW FROM MOSCOW

How far do you go toward Peking in trying to establish more influence over Moscow or how far might you go in damaging United States-Soviet relations severely?

This all raises the second area I am getting at, how the triangular diplomacy is seen from Moscow. Like anyone who approaches this subject, you end up guessing and guessing severely.

These are my guesses. First, under current circumstances based on the conversations I had on my recent trip to the Soviet Union, I think that Soviet leaders are thinking about China increasingly as a strategic alternative to the United States. They see relations with us deteriorating and they are thinking about both Western Europe and China as an alternative to trying to get along with us.

Accordingly, I think they pursue a policy of trying to keep the door open toward improving relations in Peking. But as I talked to them and as they acknowledged this is something they are trying to do, I think they are also quite realistic that there isn't much possibility of a reconciliation between them. In fact, they expect relations between themselves and the People's Republic of China to certainly get no better and maybe even get worse as well.

Consequently, that is the short leg of the Soviet reactions to triangular diplomacy, trying to keep the door open to China. The long leg is to regard China as public enemy No. 1.

PUBLIC ENEMY NO. 1

The Soviets, in saying China is public enemy No. 1, also acknowledge their paranoia. They say, yes, it is true, we may be going overboard about the threat from China today. They are more a political rival than a military threat, but they will become a real military threat in the future, so say Soviet officials. Consequently, they say that they want to deal with the People's Republic from a clear power position now, from a clear position of military superiority.

In my conversations with Soviet officials, I pointed out to them that they have at least three times as many forces sitting on the Chinese border as they need to defend the Soviet Union and that they have all their lines of communication and command and control centers sitting right on the border of China. This is hardly a disposition for defensive action.

The reaction to this was: Exactly; that is right. We do have much more power there than we need and that is the way we are going to keep it; so there is no doubt in the minds of Chinese leaders or anybody else about our superiority.

But they are playing more toward the future, I think, than toward the present and they do realize that their paranoia to the contrary notwithstanding the real threat from China is somewhere way down the line—military threat.

But because of the paranoia and because of the various points on which Peking and Moscow conflict, one can't exclude the use of force by the Soviet Union against China, though highly unlikely.

CONCLUSIONS FOR U.S. POLICY

Finally, what conclusion can one draw for U.S. policy? There are reams of them, all highly judgmental.

Let me make two points briefly. What we have done so far with the People's Republic, could be viewed and has been viewed, as being too much too soon, and there have always been people who will make that

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argument. But it is far from clear to me that the moves we have taken so far have had any lasting negative effect on United States-Soviet relations. Despite the arguments at the time that almost all of these moves would severely damage United States-Soviet relations, I don't think this has happened.

The Soviets are obviously unhappy and angry with what we have done with the Soviet Union but we could have done more than we did. We could have taken additional steps and it is not clear to me that Soviet behavior would have been much more difficult than it has been.

NO PERMANENT DAMAGE

Second, all that said, we have gone this far with China—and I don't think it has in any way permanently hindered our relations with the Soviet Union or made them worse than they would have been otherwise—that said, I think where we are now with the People's Republic is a good place to stop. What I mean is that we need not open any new doors. The doors that have been opened I think are sufficient for now and the immediate future. We ought to stop and see where we want and expect U.S. relations with Moscow to go and then see where United States-China relations fit in. I think the starting point, of how we think about our situation in the world, is Moscow. It is the focal point and we have to rethink that relationship first and then see where we want to go with China next.

Thank you.

Mr. MICA [presiding]. Dr. Pipes, would you like to proceed at this time?

STATEMENT OF RICHARD PIPES, PROFESSOR OF HISTORY, HARVARD UNIVERSITY

Mr. PIPES. I have no prepared statement, Mr. Chairman. I will speak from loose notes. I will address myself to the four questions that have been posed by Mr. Wolff but I will begin with a brief general statement.

In general, I attach enormous importance to improved relations with the People's Republic of China. I think this relationship has introduced a vast change in the global balance of power. It is comparable to the great diplomatic revolutions that have occurred in the last century with profound effects: For example, the alliance between France and Russia in the 1880's which confronted the Germans with a two-front war and essentially doomed Germany from the start; the Soviet treaty with Nazi Germany in 1939 which suddenly freed Hitler of the fear of having to wage a two-front war and thus led to the unleashing of World War II; and, finally the Soviet Neutrality Pact with Japan which absolved the Russians from having to fight on the Far Eastern front and in turn saved the Soviet Union from defeat. From the military point of view, the rapprochement between the United States and China, when coupled with the NATO Alliance in the West, confronts the Soviet Union with a very serious problem which inhibits its aggressiveness.

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA EFFECT ON U.S.S.R.

I will address myself now to the questions. First, what results can we expect our new ties with the People's Republic of China to have on the Soviet Union?

As I have already noted, I believe it introduces a fresh element of uncertainty. It introduces the possibility of the U.S.S.R. having to defend the Far Eastern front where, despite great Soviet preponderance, the logistics problems and the transportation problems for the Soviet Union are very great. It is not an area in which the Soviet Union could comfortably sustain a protracted conflict.

What effect our rapprochement with China would have depends on the intensity and degree of our involvement with China. Here I am in favor of collaboration which has been pursued by the Carter administration. That is, you intensify the relationship with Peking if the Russians become more aggressive, and you can attenuate it somewhat if they become less aggressive.

The second question——

Mr. MICA. Might I ask before you go to that, do you think that would become obvious to the Russians that is exactly what you are trying, just to speed up and intensify and deintensify for political purposes?

Mr. PIPES. That is the whole point of it. It is not something you would want to keep secret.

Mr. MICA. It seems to me that the obvious makes it a very questionable approach if that is all you are doing. They would know it, we would know it. What would be the benefit?

Mr. PIPES. The benefit is that you tell the Soviet leadership, look, if you don't want to have trouble with the United States, if you don't want to see China become more powerful, stop expanding. Behave in a civilized fashion in the Middle East and elsewhere. If you do not, we shall cause you to worry.

If my premise is correct, the only way to do it is openly, not in a sub-rosa fashion. It is an open game—and that is how international relations have been played for the last 400 years.

Mr. MICA. Maybe that may be my problem on this committee. Maybe it is too easy but it sounds like that approach would bring an obvious response that all we need to do is go as far as we want to go until they put on too much pressure and then we back off again.

Mr. PIPES. That is exactly the history of our relations with the Soviet Union since 1917—certainly since 1945.

Mr. MICA. I will let you continue but I am not sure in my mind that is the best approach.

UNDERSTANDING PEOPLE'S REPUBLIC OF CHINA INTENTIONS

Mr. PIPES. Question two: Bearing in mind our historic lack of understanding of China and our failure to foresee major shifts in Chinese policy, how clear an understanding do we have on Peking's intentions toward the United States and of our role in China's policy vis-a-vis the Soviet Union?

I think it is no mystery that the Chinese Government regards us as the lesser of two evils, because the Soviet Union is a greater military menace to China and also it is a country with an ideology which has the same roots as that of the Chinese Government.

It is my belief the initiative for rapprochement between us and China came not from us but from China, although our country took credit for it. The rapprochement was the result of the Soviet invasion of Czechoslovakia and the formulation of the Brezhnev doctrine. The Brezhnev doctrine could be applied to China so that China began to put out feelers in our direction, to which we responded.

It is my impression that the Chinese have a realistic view of what we can do with our relationship. I should hope that we would take an equally realistic view of our relationship with China. We tend to idealize. We have done this since World War II. We sided with Stalin against Hitler, taking the lesser of the two evils, and immediately began to romanticize Stalin and the Soviet regime.

It seems to me however, that processes are in fact afoot in China right now which suggest that maybe profound changes are going on in that country. Whether for economic reasons or others, current Chinese reforms are far reaching and much deeper than they have been in the Soviet Union.

PUTTING ASIDE HOSTILITIES

The third question asks: Can we realistically expect the Soviet Union to put aside 20 years of conflict with China and view the Sino-American relationship in a bilateral context and not directed against the U.S.S.R.?

Of course, the Soviet Union regards our rapprochement with China as directed against itself. There is nothing we can do about that.

I may add that when the Soviet Union helped the Communist regime to come to power in China, it did not take our sensibilities into account. This produced great convulsions in the United States in the early fifties. I believe in such matters we don't need to take their sensibilities into account either. This is a power game, and a close relationship with China is a plus for our side, a minus for the Soviet side. I think they understand it perfectly well, with the caveat that it be done in a controlled fashion and not go overboard in a way the Soviet Union might consider directly menacing.

QUICK FIX SOLUTIONS

Fourth question: Some Pentagon officers are reported to judge that U.S. military ties with China are an important "quick fix" for the recent widely publicized strategic imbalance in East-West relations; is there an element of this kind of thinking in our current policy toward China?

I think this is so. There are people who undoubtedly think of it this way. I hope they think beyond a "quick fix," however, because the potential of shift in global strategy as a result of this event is far greater and the implications are deeper.

To conclude, while I favor a close relationship with China, I think we must go about it at a reasonable pace. There is everything to be gained from it provided it is done reasonably and realistically.

We should keep our eyes open for developments within China which may be as important as what happened in Poland in the past month. As to how important all of this is: If you only consider the alternative, that is a possible rapprochement between Russia and China, that would make the global situation into a nightmare for us. You realize how important it is that things go the other way.

Mr. MICA. Thank you. We will continue the testimony before we get into questions.

Mr. Terrill.

STATEMENT OF ROSS TERRILL, AUTHOR, RESEARCH ASSOCIATE, FAIRBANK CENTER FOR EAST ASIAN RESEARCH, HARVARD UNIVERSITY

Mr. TERRILL. Thank you, Mr. Chairman. I will read portions of my prepared statement.

The basic thing to be said about the United States-China relationship is that it is the most satisfactory and effective that the two nations have ever had with each other, pre or post 1949.

We have gone beyond the drawn-out and overdramatized normalization issue; the ending of an abnormality yields strangely few clues as to what the ensuing normality will be like.

Also beyond the equally overdramatized "China card" issue; the issue was resolved by playing the card, but once played, the card is no longer in hand in any simple sense.

And we have moved beyond the nicely named but not sound-based issue of "evenhandedness"; you do not treat equally two entities—in this case Russia and China—that are drastically different in their power to inconvenience you, that hold drastically different views about you and your policies—in short, that stand in a drastically different relation to you.

GLOBAL STRATEGIC TRIANGLE

Our China policy is no longer best seen in the context of a global strategic triangle. Such a triangle can only be said to exist when potential hostility and conflict of interest are comparable on all three flanks—to a degree this was true of the United States-Russia-China situation for some years from the late 1960's—and when the overall power capability of the three entities is comparable—this was never really true of the United States-Russia-China situation, as Mr. Gelb stressed.

What was once true in part is now scarcely true at all. The overriding issue in U.S. foreign policy is how to cope with growing Soviet power and ambition.

Our China policy has a connection to that issue—but no more so than do our relations with West Europe, Japan, and a range of other countries and groupings.

Indeed, the challenge of Soviet power, together with other developments in international relations, has produced a pattern of "proximities"—some alliances, some ententes, or friendly ties—that is not consonant with either a triangle or a revived bipolarism:

The NATO alliance; the Japanese-United States alliance; the United States-China entente; the China-Japan friendship; the growing bonds between West Europe and China; and ASEAN's bonds with Japan, the United States, China and West Europe.

PATTERN OF PROXIMITIES

China, for reasons of its own interests, has entered this pattern of proximities, not only with the United States, but with a range of U.S. allies and friends—indeed, with the non-Soviet world in general. That it has done so is a logical consequence of the Sino-Soviet split, the changed role of the United States in Asia after Vietnam, the continual growth of Soviet power, and the diffusion of world power as regional powers and groupings arise.

At a time when there are many unsatisfactory trends in various parts of the world, one can strike the encouraging note that this pattern of proximities, which fell into place with the Japan-China treaty and United States-China normalization, adds up to a broad strategic picture favorable to U.S. interests, and inimical to any further flexing of Soviet muscles, at least in Asia.

Moreover, the pattern in general seems a rather stable one.

For the bilateral United States-China tie, uncertainties and possible pitfalls exist, as in any new relationship.

First. We have to be thoughtfully alert to the variable of Sino-Soviet relations, which has already been mentioned.

Second. We should not drift into thinking that United States and China have become remotely alike. The past weighs heavier in China than it does in the United States, and our two pasts are sharply different, China suffered from imperialism, and the Chinese are sensitive about China's backwardness, in front of Westerners, because they feel imperialist exploitation was one of its causes.

Different levels of wealth produce different perceptions of power. Some Chinese leaders feel pained that Americans "look down on us," because "Americans are very materially minded in assessing power. They think that with all their weapons they have power, and China, with nothing but its population, must be weak."

The problem is that way of life is the currency with which we ultimately measure power.

So even if China and the U.S. have similar views of the Soviet threat, as they have come to do over the past year, China with its bicycles and the United States with its automobiles might not find joint solutions to any possible future Soviet aggression easy to mount.

UNITED STATES-PEOPLES REPUBLIC OF CHINA DISSIMILARITIES

There are other dissimilarities. Americans assume their own universality. The Chinese—like the French—assume their own uniqueness. Free of self-consciousness, we stretch out our hands for the communication we believe is natural to man and good for the world. Full of self-consciousness, the Chinese encounter non-Chinese with ritual and indirection that may charm Americans but can also mislead them.

Third. Difficult bilateral issues—such as the problem of Chinese export of textiles to the United States, and the effort to attain true reciprocity in intellectual exchange—have to be handled in a hard-headed and single-issue fashion, to minimize the temptation on both sides to return to the fading, but easily regraspable mythologies of the past ("imperialist arrogance," "Communist deception").

On the Chinese side, the theory of the "three Worlds," which puts the United States and the U.S.S.R. in the same category as "imperialists" and "superpowers," has not been given up. Perhaps theory merely lags behind practice. But perhaps, too, there is more continuity in China's approach to America than in our approach to China over the past decades.

Fourth. There can still be some doubt as to whether Sino-American entente weighs for much as a fact of life in the flux of international politics. True, it has eased the former cold war tensions in Asia, put Japan in a more relaxed strategic position than before, given reassurance to Thailand and Pakistan in the face of an unpleasant environment, and probably served as a warning against Moscow's more ambitious designs.

OPPOSITION TO VIETNAM

But it is a disturbing omen for the future impact of the Sino-American relationship that their common opposition to Vietnam's ambitions in Indochina, and to Russian encouragement of them, has not deterred Hanoi in the slightest from "destabilizing" Cambodia, taking control in Laos, and opening its doors to Soviet military activity. Nor have all the fiery words out of Washington and Peking done anything to budge Russia from Afghanistan.

I must say that, for all the warnings from some quarters that the United States-China relationship may make Russia "adventuristic," Russia has been adventuristic before Washington and Peking began to engage in really close consultations; and even now, as the Sino-American tie at last gets off the ground, one would like to see it have more impact on Moscow, rather than less, because that impact, as has been said by my two colleagues, would be in the direction of requiring prudence from the Soviet leaders.

Fifth. One must recall that the Taiwan issue was transcended, rather than solved, in the United States-China recognition agreement.

In the immediate future, I agree with several specialists who have come before previous sessions of this subcommittee, that Taiwan is very likely to remain secure and stable. In the longer term there are uncertainties.

Peking intends to work its will on Taiwan. Everything depends on when and how it tries to do so.

Finally, some points about what is desirable on our China policy. There need be little agonizing in the United States about how far to cooperate with China's modernization. Our decisions are not going to make or break China. For such loans as China wants, her creditworthiness is sufficient to give her a choice of sources.

If a U.S. bank backs away, a bank in another Western country or Japan is likely to step in. Similarly with China's high technology imports, the sources are diversified and not even Japan is likely to find itself an indispensable large-scale supplier.

MODERNIZED CHINA

It is true that a modernized China entering the 21st century may pose problems for a variety of countries in Asia and even beyond. But I don't think it is in American power to veto that modernization process, even if it were judged desirable to do so.

What is important is that our economic dealings with China should be on a business basis and free of all connotations of guardianship. That has been the past problem in China's economic partnerships.

It is also desirable that China's economic involvement with the developed world be multicentered. Again, bad past experience stemmed from situations where there were essentially only two participants, as in the Russia-China and China-Albania relationships.

Peking's own present wishes run along multicentered lines, and the United States and Japan and West Europe should put up with the irritations of this, and acknowledge the basic healthiness of a China dealing with a crowded field of partners, no one of them in a specially dominant or brotherly relationship.

In U.S. foreign policy in general, of which China policy is now an inextricable part, one could hope for a more integrated—rather than issue-by-issue—approach; for a more long-term—rather than election-oriented—approach; and in particular for an approach that is not military minded but shrewd in power calculations.

I do not favor supplying China with weapons. In present circumstances China is less, not more vulnerable than in any period since 1949.

Mr. WOLFF. Unfortunately, I will have to interrupt you to suspend because the second bells indicate a vote. This time we will return in about 8 to 10 minutes.

FEAR AND AVERSION

Mr. MICA. I have two meetings going on at the same time.

I do disagree, Dr. Pipes, with your statement. I just wanted to say this for the record. I can't help but think our relationships with other nations, particularly a nation like China, have to be built on more than just our mutual fear or aversion to the Soviet Union.

I think there has to be more substance and more meaning to have any kind of relationship that has any hope of lasting.

My personal opinion is that no two people always agree on the same thing, and it takes a greater bond than rapprochement of a mutual enemy to allow a relationship to continue.

I would like to get your comments, Mr. Gelb and Mr. Terrill, when we come back—and if I can come back.

Thank you.

[Brief recess.]

Mr. WOLFF. I might say that part of the length of the interruption was the fact that I was in touch with Secretary Holbrooke on the entire Korean situation as well as a few others that are really quite tense at the moment, and we are trying to resolve some differences but you know about that.

I understand my colleague, Mr. Mica, disagreed with Mr. Pipes on the question of military assistance and basing our relationship in this direction. Did you respond?

MARRIAGE OF CONVENIENCE

Mr. PIPES. No; I think he misunderstood. I said that our relationship now and for the past several years with the Government of the People's Republic of China has been a marriage of convenience. It certainly has been such in the context in which we discuss it here, namely vis-a-vis the Soviet Union.

This does not preclude our two countries drawing closer together and having more than a marriage of convenience but in relation to the threat which the Soviet Union poses to much of the world, that is what it is right now.

Mr. WOLFF. I think one aspect of all this is there are some of us who just don't feel that a new relationship, lasting relationship, will be built with the People's Republic of China just based upon a common adversary, that we have to have common interests. This may be a temporary situation, this marriage of convenience as you term it, but I think we have to find those areas that we have in common, and there are many areas we have in common with the People's Republic of China. These have to be enhanced, exploited for the advantages of both countries.

I don't think anyone is talking about precluding the idea of working together on a military security basis with the People's Republic of China but one area I would like to pose to you is what happens in the future?

The leadership of both countries is changing or will change in the near future. What of the future with the new leadership that will take over? Do they have the same aims and objectives? Will they follow the same line that has been observed in the past both in the Soviet Union as well as in the People's Republic of China?

Then again, in our country with the statements that have been made, for example, by Mr. Reagan, in the event that he does win the election, does that forecast a change in policy so far as the United States is concerned in the emphasis that we place upon the triangular diplomacy?

I would like to have Mr. Terill's remarks and then get a reaction from all three of you to that question.

Mr. TERRILL. Just to finish my summary, I mentioned that I was not in favor of supplying China with weapons and I have given the reasons for that.

At the same time, I do not like the combination one sometimes sees in U.S. policy of a frenetic moralism on particular issues with a resort to endless arms as a generalized means of attaining national strength. Left out is what should be central: a steady, long-term calculus of world power in its various aspects.

STRENGTH OF U.S. RELATIONS

There are several ingredients to maximized U.S. power, among them a strong economy, an adequate defense establishment, and the resilience and innovative possibilities that come from adhering to our own principles of freedom and equality and the dignity of the individual.

The strength of U.S. relations with its allies and friends is also a crucial ingredient in national power.

The pattern of "proximities" which I have discussed is a priceless force for setting limits to Soviet expansionism. If the bonds are nurtured so as to attain their full possible political weight, we can escape the necessity of forging a global military alliance against the U.S.S.R. which would return the world to bipolarity and heighten tensions everywhere. The political-diplomatic challenge comes prior to the dread prospect of military confrontation.

It seems amazing to me, and regrettable, that the leaders of the United States, Japan, and China have never sat down together for tripartite consultations despite their overlapping interests in Asia and beyond.

GOVERNOR REAGAN

Here, too, I find Governor Reagan's statements on China and Taiwan disturbing. He has every right to scrutinize China policy, and perhaps adjust some nuances of the relationship with Taiwan.

If he is elected, Peking must accept him as the representative of the United States just as we have to deal with whatever leaders the churning process of Chinese politics turns up at any point of time.

But Mr. Reagan will have to choose between being an ideologue and being a conservative, between nostalgia for Chiang Kai-shek's China and the strategic logic of friendship with the People's Republic of China to counter the U.S.S.R.

I certainly hope Governor Reagan does not reject the entire notion of strategic proximity to a Communist state that doesn't stand in the path of our interests.

In a world where Poles dislike Russians, Vietnamese fight Cambodians, and the Russia-China split is perhaps the most consequential single fact of international political life, to refuse friendship with all Communist states would be to opt out of power calculation altogether.

IDEOLOGICAL OBJECTIONS

A revival of evenhandedness, based on our ideological objections to all Communist societies, is the last thing we need at this juncture of national and international history.

In summary, I feel we should be increasingly friendly to China, as long as two current realities persist that China remains weaker than Russia and not allied with Russia, and that China is not outward bent in Asia but stability-minded.

The reason for our proximity to China has little to do—here I agree with Professor Pipes—has little to do with judgments about Chinese society, or even speculation as to the immediate direction to Chinese politics.

It has to do—if my premise is correct that coping with the growth of Soviet power is the central task of American foreign policy—with China's weakness relative to Russia, and with China's domestic preoccupation as contrasted with Russia's global military activism.

In this respect the most urgent requirement in our China policy is a broader, more integrated vision of the bonds that in different ways link the United States, West Europe, Japan, China, and others close to these four.

[Mr. Terrill's prepared statement follows:]

PREPARED STATEMENT OF ROSS TERRILL, AUTHOR, RESEARCH ASSOCIATE, FAIRBANK CENTER FOR EAST ASIAN RESEARCH, HARVARD UNIVERSITY

THE DEVELOPMENT OF UNITED STATES-CHINA RELATIONS

I

Some people get nervous when calm arrives, if only because of long previous habit of dwelling with crisis and danger. So it seems to be with our China policy. For the fundamental thing to be said about the U.S.-China relationship is that it is the most satisfactory and effective that the two nations have ever had with each other, pre- or post-1949, and that much of the nervousness is unnecessary.

The tie is not one-sided, as the World War Two alliance was. The PRC, whatever one thinks of its social system, is a unified, strong, entity to a degree that Chiang Kai-shek's China never was.

Sino-American cordiality has put an end to the wrenching Cold War line of division in Asia that scarred the 1950s (marked by the Korean War) and the 1960s (marked by the Vietnam War).

The fears about dealing with Peking voiced throughout the 1950s and 1960s did not prove grounded. Peking did not try to "wreck the UN" after gaining the China seat, or fail to pay its bills when trading with Americans, or use its missions in New York and Washington to subvert the U.S. America's allies in Asia, far from being incurably upset by the U.S. opening to China, almost all went ahead and set up full diplomatic ties with Peking. U.S.-China normalization in 1979 produced no sudden deterioration in any aspect of Taiwan's concrete situation.*

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*"There will be a natural tendency on the part of Taiwanese capital," O. Edmund Clubb wrote in The Nation (February 24, 1979), "to seek safer havens abroad, and there will be a parallel reluctance on the part of foreign capital to invest in Taiwan undertakings." Neither has occurred.

Not least, the proven mutual compatibility of the two peoples, and in a modest way the two economies, now receives an opportunity to fulfill its potential.*

II

We have gone beyond the drawn-out and over-dramatized normalization issue; the ending of an abnormality yields strangely few clues as to what the ensuing normality will be like. Also beyond the equally over-dramatized "China card" issue; the issue was resolved by playing the card, but once played, the card is no longer in hand in any simple sense. And we have moved beyond the nicely-named but not soundly-based issue of "even-handedness"; you do not treat equally two entities (in this case Russia and China) that are drastically different in their power to inconvenience you, that hold drastically different views about you and your policies--in short, that stand in a drastically different relation to you.

Our China policy is no longer best seen in the context of a global strategic triangle. Such a triangle can only be said to exist when potential hostility and conflict of interest are comparable on all three flanks (to a degree this was true of the U.S.-Russia-China situation for some years from the late 1960s); and when the overall power capability of the three entities is comparable (this was never really true of the U.S.-Russia-China situation).

What was once true in part is now scarcely true at all. The overriding issue in U.S. foreign policy is how to cope with growing Soviet power and ambition. Our China policy has a connection to that issue--but no more so than do our relations with West Europe, Japan, and a range of other countries and groupings.

Indeed the challenge of Soviet power, together with other developments in international relations, has produced a pattern of "proximities"

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*Before this Subcommittee on 9/28/77 I spoke of the frustrations in the pre-normalization U.S.-China relationship: "There can be no direct banking facilities, or Chinese trade exhibitions in the United States, or Chinese ships or aircraft calling at American ports. United States businessmen are losing orders to Japanese and West Europeans. United States news media cannot establish bureaus in Peking or Shanghai. Chinese and American students cannot study in each other's countries. Peking leaders will not visit Washington--and so an opportunity to influence their view of America is lost." All of these frustrations have been sharply alleviated in the past twenty-two months.

(whether alliances, ententes, or friendly ties) that is not consonant with either a triangle or a revived bipolarism:

- o the NATO alliance
- o the Japan-U.S. alliance
- o the U.S.-China entente
- o the China-Japan friendship
- o the growing bonds between West Europe and China
- o ASEAN's bonds with Japan, the U.S., China and West Europe

China, for reasons of its own interests, has entered this pattern of proximities, not only with the U.S., but with a range of U.S. allies and friends--indeed with the non-Soviet world in general. That it has done so is a logical consequence of the Sino-Soviet split, the changed role of the U.S. in Asia after Vietnam, the continual growth of Soviet power, and the diffusion of world power as regional powers and groupings arise.

III

At a time when there are many unsatisfactory trends in various parts of the world, one can strike the encouraging note that this pattern of proximities, which fell into place with the Japan-China treaty and U.S.-China normalization, adds up to a broad strategic picture favorable to U.S. interests, and inimical to any further flexing of Soviet muscles, at least in Asia. Moreover the pattern in general seems a rather stable one. Several eventualities could upset it: a major shrinking of the U.S. role in Asia; a total breakdown of common purpose between West Europe and the U.S. over how to deal with Russia; an upheaval in China, or a Russian blow at China, which put China on the sidelines of international politics; an escalation of the U.S.-Japan economic difficulties to the point where the strategic alliance unravelled; a major step-up in Japanese rearmament, with all the responses that would produce in Asia.

None of these seem at all likely within the envisagable span of the next five-ten years.

One future eventuality, which would be enormously consequential, would be a rapprochement between Russia and China. Although return to Sino-Soviet intimacy and ideological alliance is out of the question, an extension of detente to this relationship (which is the one great

hold-out against a spirit of detente in the relationships of the very big powers today) is perhaps the least unlikely of the eventualities I have listed.

The mood in China is pragmatic, economically-minded, domestically-oriented, and revisionist as to Marxist doctrine, all of which works to undermine the priority, emotion, and rationale of anti-Sovietism.

I do not mean that Sino-Soviet detente is a certainty. Objective logic is one thing; quite another is the spark of circumstance needed to overturn a long-standing policy. Much also depends on Soviet attitudes, now and after Brehznev leaves the scene, which I cannot gauge.

Moreover, the developments of 1978-1980 have tacitly redefined the shape of any future Sino-Soviet detente. The Japan-China and U.S.-China relationships have taken away much of the "either-or" uncertainty in China's approach to the West and Russia. For much of the 1970s the unconsolidated state of the West's relationships with China made the possibility of a Chinese compromise with Russia more live than it would otherwise have been. But China's relations with East and West are no longer a zero-sum game. An historical shift has occurred; any Sino-Soviet rapprochement would be severely limited in scope by the prior existence of firm Peking-Tokyo and Peking-Washington ties.

There is a paradox about Peking's international position today. Less under threat, with less cause to fear attack, than at any point since 1949, and also more influential in the world than ever before, the PRC nevertheless is also, in a sense, "less free." Post-Mao China has moved out of the world of black-and-white choices that was at once pristine and often inconsequential. Enmeshed in more and more international relationships, bent on economic development as the top priority, Peking may be finding that its options narrow as it faces intractable problems of development, and increasingly technical issues, in a shrinking world of complex balances.

This is not to say that it wouldn't be a discomforting event if Russia and China were to improve their relations, even to a limited degree. It would be, to the U.S., Japan, and others. Some luxuries to which we have grown accustomed might fall from our grasp. Yet the complexity of major power relationships as the 1980s open, together with the terrors of a world in which technique and material progress outstrip institutions to order them, give the issue another dimension.

With a reconstituted Peking-Moscow alliance not in question, with a Chinese turning away from the West and back to Russia in its international economic involvement also out of the question, with China's junior-brother status vis-a-vis Russia having been obviated by China's complicated role on the world stage, we are freed to look at any change in Peking-Moscow relations in more relaxed terms than in the past, though still very cautiously.

The limited adverse consequences for the balance of power could even be set off by some positive gains for world peace: serious new possibilities for arms control; a joint tackling by all the great powers, for the first time since World War Two, of certain international issues, including the environment, technologically-facilitated terrorism, territorial waters, and trade and monetary matters; an easing of tensions in Indo-China and a forestalling of possible parallel tensions in West Asia and other places; decreased leverage for Kim Il-sung and an unlocking of the Korean problem in general.

IV

Bilaterally, the U.S.-China relationship has in twenty-two months since diplomatic ties were established become richer than most people expected. Interlocking ties between China and various U.S. government and private entities give a steadiness to this relationship that historically has been troublingly volatile--precisely because, in the absence of concrete interactions on an equal basis, the two countries dwelt as abstractions in each others' minds.

At the same time, U.S.-China interactions are not spectacularly intimate or extensive; it is a "normal" rather than a "special" relationship by the standards of U.S. bilateral relationships, and that is how it should be in present circumstances. Promisingly compatible as the American and Chinese people's approach to each other seems, the foundation of the relationship remains our parallel global strategic interests.

Uncertainties and possible pitfalls exist, as in any new relationship.

1. I have already mentioned the variable of Sino-Soviet relations to which we have to be thoughtfully alert.

2. We should not drift into thinking that U.S. and China have become remotely alike. The past weighs heavier in China than it does in the U.S., and our two pasts are sharply different. China suffered from imperialism, and Chinese are sensitive about China's backwardness, in front of Westerners, because they feel imperialist exploitation was one of its causes.

Different levels of wealth produce different perceptions of power. Some Chinese leaders feel pained that Americans "look down on us," because "Americans are very materially-minded in assessing power ... They think that with all their weapons they have power, and China, with nothing but its population, must be weak." The problem is that way of life is the currency with which we ultimately measure power.

So even if China and the U.S. have similar views of the Soviet threat, as they have come to do over the past year, China with its bicycles and the U.S. with its automobiles might not find joint solutions to any possible future Soviet aggression easy to mount.

There are other dissimilarities. Americans assume their own universality. The Chinese--like the French-assume their own uniqueness. Free of self-consciousness, we stretch out our hands for the communication we believe is natural to man and good for the world. Full of self-consciousness, the Chinese encounter non-Chinese with ritual and indirection that may charm Americans but can also mislead them.

Our social system is such that, to a Chinese eye, we don't have a "national point of view." We are a jostling bundle of interests held together by the rule of law and the good luck of physical isolation. China's culture and social system both conspire to limit that autonomy of the individual which to Americans is a sacred value and a precondition for social communication.

3. Difficult bilateral issues (such as the problem of Chinese export of textiles to the U.S., and the effort to attain true reciprocity in intellectual exchanges) have to be handled in a hard-headed and single-issue fasion, to minimize the temptation on both sides to return to the fading, but easily regraspable mythologies of the past ("imperialist arrogance," "Communist deception").

On the Chinese side, the theory of the "three Worlds," which puts the USA and the USSR in the same category as "imperialists" and "Superpowers," has not been given up. Perhaps theory merely lags behind practice. But perhaps, too, there is more continuity in China's approach to America than in our approach to China over the past decades.

It is easier to imagine an ambitious young Chinese politician reviving the phrase "U.S. imperialism," by asserting that "U.S. imperialism is obstructing the reunification of Taiwan with the Motherland," than it is to imagine an ambitious young American politician reviving the American sense of mission in Asia by reasserting an American will to democratize and Christianize China.

It is conceivable that, if economic results are disappointing in China in the 1980s, disillusionment could take the form of renewed criticism of the American form of modernity--if only to save face when confronted with failure.

4. There can still be some doubt as to whether Sino-American entente weighs for much as a fact of life in the flux of international politics. True, it has eased the former Cold War tensions in Asia, put Japan in a more relaxed strategic position than before, given

reassurance to Thailand and Pakistan in the face of an unpleasant environment, and probably served as a warning against Moscow's more ambitious designs.

But it is a disturbing omen for the future impact of the Sino-American relationship that their common opposition to Vietnam's ambitions in Indo-China, and to Russian encouragement of them, has not deterred Hanoi in the slightest from "de-stabilizing" Cambodia, taking control in Laos, and opening its doors to Soviet military activity, Nor have all the fiery words out of Washington and Peking done anything to budge Russia from Afghanistan.

I must say that, for all the warnings from some quarters that the U.S.-China relationship may make Russia "adventuristic," Russia has been adventuristic before Washington and Peking began to engage in really close consultations; and even now, as the Sino-American tie at last gets off the ground, one would like to see it have more impact on Moscow, rather than less, because that impact would be in the direction of requiring prudence from the Soviet leaders.

5. One must recall that the Taiwan issue was transcended, rather than solved, in the U.S.-China recognition agreement.

My prediction before this Subcommittee in September 1977 has proved correct:

> "Normalization will be an anti-climax. Despite some grim forebodings, Taiwan will awake next morning remarkably unchanged. Its social and economic strengths vis-a-vis the mainland will still exist. Just as Taipei has easily survived the loss of recognition by some 60 countries in recent years, and the loss of its peace treaty with Japan, so it will survive a similar step by the US."

In the immediate future, I agree with several specialists who have come before previous sessions of this Subcommittee, that Taiwan is very likely to remain secure and stable. In the longer term there are uncertainties.

The unity of the Taipei government, which has been remarkable over the years, might weaken. How do you hold a cabinet together when some officials murmur about talking with Peking, and others murmur about developing nuclear weapons to fight Peking?

And Peking might misjudge public opinion on the island, trying to win influence there without realizing that little enthusiasm for communism exists in Taiwan.

Much depends on Chinese policies. Deng has said China intends a peaceful reunification. But if Peking were to renounce force, he has also said, Taipei might be encouraged to refuse to negotiate with

Peking and that would "in the end lead to an armed solution of the problem."

In other words Peking intends to work its will on Taiwan. Everything depends on when and how it tries to do so.

V

Finally some points about what is desirable in our China policy. There need be little agonizing in the U.S. about how far to cooperate with China's modernization. Our decisions are not going to make or break China. For such loans as China wants, her credit-worthiness is sufficient to give her a choice of sources. If a U.S. bank backs away, a bank in another Western country or Japan is likely to step in. Similarly with China's high-technology imports; the sources are diversified and not even Japan is likely to find itself an indispensable large-scale supplier.

It is true that a modernized China entering the 21st century may pose problems for a variety of countries in Asia and even beyond. But I don't think it is in American power to veto that modernization process, even if it were judged desirable to do so.

What is important is that our economic dealings with China should be on a business basis and free of all connotations of guardianship. Where China and an economic partner came to grief in the past, aid and trade came on the wings of philosophical guardianship. This occurred when Russia was China's partner in the 1950s, and in reverse direction when China served up aid and ideology to Albania in the 1960s. Differences of viewpoint on the aims and modes of development, which are inevitable when diverse nations deal with each other, are much less likely to lead to conflict if the dealings are on a business basis.

It is also desirable that China's economic involvement with the developed world be multi-centered. Again, bad past experience stemmed from situations where there were essentially only two participants, as in the Russia-China and China-Albania relationships. Peking's own present wishes run along multi-centered lines and the U.S. and Japan and West Europe should put up with the irritations of this, and acknowledge the basic healthiness of a China dealing with a crowded field of partners, no one of them in a specially dominant or brotherly relationship.

Our broad political and diplomatic relationship with China has in my opinion been well handled by the Carter administration. Assistant Secretary Holbrooke's June 4, 1980 speech on the subject is a judicious, convincing, encouraging statement of policy.

In U.S. foreign policy in general, of which China policy is now an inextricable part, one could hope for a more integrated (rather than issue by issue) approach; for a more longterm (rather than election-oriented) approach; and in particular for an approach that is not military-minded but shrewd in power calculations. I do not favor supplying China with weapons. In present circumstances China is less, not more vulnerable than in past years; there are interests of a national and regional kind that China has which we would not necessarily want to see pressed to the hilt; and in all cases we should be reluctant to provide backward societies which urgently need economic growth with capacities that may tempt them to the distraction of war.

But one sees at times a terrible combination in U.S. foreign policy of a frenetic moralism on particular issues with a resort to endless arms as a generalized means of attaining national strength. Left out is what should be central: a steady, longterm calculus of world power in its various aspects.

There are several ingredients to maximized U.S. power, among them a strong economy, an adequate defense establishment, and the resilience and innovative possibilities that come from adhering to our own principles of freedom and equality and the dignity of the individual.

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Here I find Governor Reagan's statements on China and Taiwan disturbing. He has every right to scrutinize China policy, and perhaps adjust some nuances of the relationship with Taiwan. If he is elected, Peking must accept him as representative of the U.S. just as we have to deal with whatever leaders the churning process of Chinese politics turns up at any point of time. But Mr. Reagan will have to choose between being an ideologue and being a conservative, between nostalgia for Chiang Kai-shek's China and the strategic logic of friendship with the PRC to counter the USSR.

I certainly hope Governor Reagan does not reject the entire notion of strategic proximity to a Communist state that doesn't stand in the path of our interests. In a world where Poles dislike Russians, Vietnamese fight Cambodians, and the Russia-China split is perhaps the

most consequential single fact of international political life, to refuse friendship with all Communist states would be to opt out of power calculation altogether.

A revival of even-handedness, based on our ideological objections to all Communist societies, is the last thing we need at this juncture of national and international history.

VI

The gist of my statement is that we should be increasingly friendly to China as long as two current realities persist: that China remains weaker than Russia and not allied with Russia; and that China is not outward bent in Asia but stability-minded.

The reason for our proximity to China has little to do with judgments about Chinese society, or even speculation as to the immediate direction of Chinese politics. It has to do--if my premise is correct that coping with the growth of Soviet power is the central task of American foreign policy--with China's weakness relative to Russia, and with China's domestic preoccupation as contrasted with Russia's global military activism. In this respect the most urgent requirement in our China policy is a broader, more integrated vision of the bonds that in different ways link the U.S., West Europe, Japan, China, and others close to these four.

Mr. WOLFF. Thank you very much, Mr. Terrill.

I wonder now if we could revert to the previous question that I posed.

EFFECT OF LEADERSHIP CHANGES

Mr. PIPES. Yes.

The question was, first of all, about possible changes in the leadership of all three countries.

Mr. WOLFF. The effect that may have.

Mr. PIPES. Yes; I think the following is my judgment. In the Soviet Union, as it is now constituted, it is very difficult to see how dramatic changes in leadership can take place. There is, of course, always the possibility of a fight among the successors to Brezhnev. You remember the Trotsky-Stalin struggle. There is the possibility of a major fiasco in Afghanistan which may produce internal repercussions.

I would say the likelihood is that the system is going to continue and remain largely the same because the leadership renews itself, and the people who are now sitting in the Government—and this is a bureaucratic government—are picking as their deputies and successors, people like themselves. There is a weaning out process whereby you reject anybody who is different.

Mr. WOLFF. We have been told in the past Brezhnev has been a moderating influence and with his passing there might be a stronger move toward change in policy.

Mr. PIPES. I strongly suspect that this is deliberate misinformation. It is used by Soviet leaders as a means of obtaining concession from the United States on matters like SALT by saying: "You now have a good man in the Kremlin. You may not like him but wait until you see the alternative; therefore, you better play along and make concessions to him."

They did the same thing with the Germans when Ospolitik got started. This is a well-known ploy.

SUCCESSORS IN UNION OF SOVIET SOCIALIST REPUBLICS AND PEOPLE'S REPUBLIC OF CHINA AND UNITED STATES OF AMERICA

On the successors to Brezhnev there are two schools of thought. Some people say they will be more cosmopolitan, and adaptable, others say they will be tougher. We really don't know. I suspect we cannot draw any inference about what lies ahead.

In China, clearly there are profound changes occurring. I am not an expert on China—and I will defer to Mr. Terrill—but when in some places the portraits of Marx, Engels, and Stalin are coming down, this means something.

I was in Russia in the midfifties when the portraits of Stalin himself came down but the others remained in place.

As for the United States, I cannot speak on behalf of Mr. Reagan or what he will do, I don't know, but I think that his comments on Taiwan have been taken out of context. He has a troubled conscience about the way we have treated Taiwan when establishing diplomatic relations with the People's Republic. He feels that we have let Taiwan down, that if we had stuck to our guns we might have gotten better conditions for Taiwan, a closer relationship between us and them.

At no point has he suggested—and I know this is also the case with the people who are advising him—that we reverse what has been agreed upon in our relationship with the People's Republic of China.

The whole Reagan camp is very much aware of what this means for the global balance, and while there are people, including the Governor himself, who would like somehow to rectify what he perceives to be an injustice and a betrayal to our friends in Taiwan, there is no intention of undoing our new relationship with the People's Republic.

Mr. WOLFF. Thank you.

Mr. Gelb, would you like to comment?

Mr. GELB. I have nothing really substantively different from what Professor Pipes said. We have no real evidence to suggest that the next generation of leaders in the Soviet Union or China are any different from their seniors.

As far as Mr. Reagan's position, I have nothing to say about that.

Mr. WOLFF. Mr. Terrill.

Mr. TERRILL. My impression is that in Peking there is not a lot of dissension about foreign policy. There has been in some past phases of People's Republic of China history; Mao had a lot of trouble with some of his colleagues on some foreign policy issues. I don't think today there are large divisions.

At the same time, there is a secular tendency, you might say, toward the logic of China's anti-Russian position being undermined. The country is in a pragmatic mood. It has dismantled nearly all of Mao's policies except his obsessive hostility to the Soviet Union. It ceased to call the Soviet Union "revisionist," as it moves itself onto a path many would call that of revisionism, and maybe Mr. Pipes is right that it is even more revisionist than anything we have seen in East Europe.

If the logic of Mao's anti-Sovietism has in a sense been undermined, that doesn't itself mean that we will see China and Russia draw closer—but it is the one worry that I would have about some possible change in China's policy.

The changes ahead? I see a certain political stability in China. I think there is a determination to have a steady period. I am not sure the economic results will be as good as everyone wants, and I think that, down the road, if they are disappointing, we might have new political upheavals.

I don't see those upheavals coming soon, and as for the attitude toward the United States in China, as you, yourself, suggested, Mr. Chairman, there is much more going for United States-China relations than merely a common enemy. There are very good feelings. There are enormous people-to-people contacts. Trade is bigger thar one might have thought it would be a year or so ago.

The two governments are getting interlocked with each other in various ways, and I don't see any resistance to that in China at all.

CHINESE MILITARY BUILDUP

Mr. WOLFF. Let me preface my next question by saying that I particularly feel very strongly that assistance to China today in helping it to exploit its own resources, improving its technology, will make for a strong bond of relationship between the United States and China,

I think is extremely important to both countries if we hope to maintain a lasting relationship.

I am just wondering whether or not with the knowledge that we have of China's military capacity, whether there is anything we can do today that will prove its capability on a military basis of either defending itself against an intrusion by the Soviets or in changing the balance in any way other than just industrial manpower.

Mr. GELB. I think it is very doubtful anything that could reasonably be done would change the military balance of power between China and the Soviet Union in 3 or 5 or 10 years. The kind of hardware that China would need to begin to rectify the balance, modern weapons systems, are extremely costly and China cannot pay for them. China's leaders are not about to wrench their whole economy out of shape, denying development of the domestic side in order to build up the military side. In fact, they recently announced a cut in defense spending.

Second, it is my understanding that China doesn't want to buy weapons systems wholesale and wants the technology so that they can build these weapons systems themselves. So I think there is some substantial natural barrier to anything we or other industrialized nations of the West could or would do to change that military balance in any near-term sense.

Mr. PIPES. I agree in general with what Mr. Gelb has said except to note that you are dealing here with a highly civilized culture and a disciplined people who can, I believe, absorb a certain amount of Western military technology and make it work.

We are not facing a situation such as we had in Iran or have today in Saudi Arabia where you transfer the most sophisticated equipment and find it is not much use because there is no cultural infrastructure to deal with it—I think in China there is.

I am not a military specialist but it seems to me there are certain weapons systems of a defensive kind which if transferred would make quite a difference in China's capacity to cope with a potential Soviet invasion.

I am speaking of very simple things, such as antitank weapons.

ARMS FOR POLICE

Mr. WOLFF. I want to come to Mr. Terrill on this but let me just inject a further point. There has been a request made for small arms for police. I just wonder what your reaction is.

Mr. PIPES. You said there was——

Mr. WOLFF. There is under consideration today the question of small arms for the police. How would you feel about that?

Mr. PIPES. I don't think we should assist the police forces in any undemocratic society, as a matter of principle.

Mr. WOLFF. How about you, Mr. Gelb?

Mr. GELB. I have no objection in principle to providing this equipment to the People's Republic. I can see where this would not in any significant way associate us with any actions where we would disagree with. Once one starts drawing these lines——

Mr. WOLFF. We have drawn the line already in that particular sense in a variety of countries.

Mr. GELB. In some countries we do and in some we don't. Our behavior is hardly consistent.

Mr. WOLFF. In Congress we set a policy that said we would not participate in the furnishing of police equipment in any country because of fear of intruding upon the internal affairs of that country and specifically have precluded the sale of police equipment in certain areas in the world.

Mr. GELB. I don't regard this as a touchstone for relations or a major approach.

Mr. WOLFF. Now you have two questions.

Mr. TERRILL. On the police equipment, I have mixed feelings. If what Mr. Pipes referred to is our policy, good, I would like to stick with it and that would exclude China. I am not sure whether it is—just as a matter of fact.

If we already make exceptions with a lot of others—and after all, there are not that many countries in the world that are democratic in our sense——

Mr. PIPES. I didn't say this is our policy. I am saying it should be.

Mr. TERRILL. If we do adhere to it in all other cases then let's adhere to it in the Chinese case. If we make a lot of other exceptions, I suppose we should approve the sale. I would have to add that this equipment is not going to make much difference as to how the Government treats the Chinese people, so we need not have too many worries about the effect of it.

On the other question, I agree, Mr. Chairman, with the answer that is really contained in your own way put in the question. I am not keen on seeing China armed to a much greater degree than it is now partly because of what you said—that it won't change things all that much; partly because the Chinese Government itself, as Mr. Gelb suggested, is setting a butter over guns priority, and I don't think they are going to allot the level of resources to purchase at arms sales that would change the balance significantly.

The only circumstance in which I could see this happening is if the world situation deteriorates to such a degree that we find ourselves in a large war—in most parts of the world that is going to be a war where China and America are going to have similar attitudes.

In a situation in which China and the United States are fighting together, military transfers would take place quickly and the question of whether China could pay for them, of course, would be an academic question.

EQUIPMENT TO SOVIETS

Mr. WOLFF. Mr. Gelb, how about the idea of the request from the Soviet Union relative to the police equipment? Would your answer be the same?

Mr. GELB. Probably not.

Mr. WOLFF. That is because of the political question.

Mr. GELB. But I think in almost every one of these cases it is a political question and our behavior in the human rights area is not one where we can demand consistency. One looks at the situation in each country and makes your human rights decisions in particular contexts. We don't treat every dictatorship of the left the same or every dictatorship of the right the same.

Mr. WOLFF. In recent years there has always been an admonition to the public if you have a problem, write your Congressman. We have no place to go but to go to you. We have no one to write to.

Mr. GELB. Then we are both in trouble.

SOUTH KOREA

Mr. WOLFF. You are three experts in the area of foreign policy questions. I am going to pose something to you. Before you said there are very few things that the Soviets and the Chinese do not agree on. Korea is one place the Chinese and Soviets seem to agree on, the support of North Korea.

We are posed with a serious problem right now. There has been in the Congress a question on furnishing spare parts to South Korea. Based on human rights considerations, what would be your recommendation to us since it does involve the nexus of both the Soviet and China?

Mr. PIPES. The coincidence between Soviet and Chinese policies in some areas of the world, such as Korea and one can also say the Middle East, is an anachronism. The Chinese have not modernized their foreign policy as they have their internal policy. They are trying to compete with the Russians for the same constituencies so that in a sense they are saddled with supporting all kinds of movements such as the PLO, and I have never understood why the Chinese support the PLO. I have argued with them, saying that, if the PLO established a Palestinian state it would be another Cuba. Why do you support it? I never really received a satisfactory answer.

I hope that the Chinese will revise their foreign policy to bring it more in line with the kind of commitments they have undertaken.

When it comes to supporting, say, South Korea, there is simply no question that we must support it militarily. It is essential because if we do not, the country may fall and find Japan is threatened and then the whole Far East.

In reference to your previous question, when it comes to providing police equipment for a foreign country, I think even among our allies—Korea, a very repressive regime—let them take care of it themselves. I don't think that the presence or absence of police equipment from us is going to make a great deal of difference but it puts us into a very disagreeable position. We can say that we do protect South Korea from the North because that is in the interest of regional stability, but it is not in our interest to associate ourselves with the repressive features of the regime.

We may have to aquiesce it but we don't have to help them repress.

As for the Soviet Union, I don't think they need our police equipment. We would probably want to buy it from them, if anything.

SPARE MILITARY PARTS

Mr. WOLFF. Mr. Gelb.

Mr. GELB. The question is whether or not you supply spare parts for the Korean military as the best way of influencing their decision on Mr. Kim is a very hard one to answer. It is a perfect case, I think, of how difficult it is to draw the line between supplies to be used for

internal repression and supplies to be used for defense of the country. These are spare parts for Korean trucks, tanks, is that correct?

Mr. WOLFF. Aircraft parts.

Mr. GELB. Aircraft.

In a lot of cases they are things that have dual uses. They are used to defend the country and to deal with internal repression.

You have to ask people on the spot, what do you think is the best way of being able to get that new government not to carry out its sentence against Mr. Kim? I think it is critical for our relations with South Korea that they not kill this man. It is not only a question of human rights; it is a question of our basic policy toward that country and how that will be affected by their actions on this matter.

But that isn't the kind of call that I would be inclined to make from here. I would be much influenced by the use of our Ambassador and our military commander there as to the best way to do it.

Mr. WOLFF. I might disagree with you on that. I am not impressed by the fact that our military commander gets involved in political decisionmaking.

Mr. GELB. As a matter of fact, how he thinks the Koreans would react is important input.

Mr. WOLFF. His reaction was quite different, if you remember. I don't want to get into a long discussion of that, the point being his reaction is nothing can be done easily that will interfere with our security and complete support of Korea, and I think this is an action that should not be taken by a military commander.

This is a decision that should be made on a political basis rather than a military one.

Mr. GELB. Oh, for sure, but what I am getting at is getting his judgment as to how the South Koreans would react to it.

Mr. WOLFF. Mr. Terrill.

Mr. TERRILL. Mr. Chairman, I don't have much to add. I don't think you can solve these problems with a generalization. I think we have to keep supplying South Korea, but one hopes this particular thing can be handled administratively, and negotiated, and bargained with threats, to such a degree that we do have influence on the Kim affair.

I do think two other things can be said about Korea. One is that the Chinese now, despite what they say always in public, are far more interested in stability in the Korean peninsula than in any actions to unify Korea by military initiatives from the North. In fact, I think since Secretary Brown's visit to China in January, that this is one of the areas of quiet success in United States-China relations; China has had a good influence on Pyongyang as the China-American relationship has progressed.

Second, I don't think we should think of the Korean question simply in terms of how can we keep the South strong. The fact is that the whole situation is extremely dangerous. It is an over-militarized situation, South and North, and we have to look beyond the question of keeping South Korea strong to the question of steps, first of all, diplomatic, and then other moves that will result in demilitarization. Here I think the United States-China relationship is a promising one.

MEMO ON MILITARY RELATIONSHIP

Mr. WOLFF. Mr. Gelb, your name was used by Mr. Garrett as one of the authors of the PRM 24 and he indicated sometime in late 1976 or 1977—at least the New York Times said that memorandum against a military relationship—possible Soviet reaction asking to divulge knowledge of the content of the memorandum.

Could you give us an idea of whether or not, so far as the Times story is concerned, that is true?

Mr. GELB. I don't remember the Times story exactly but the fact of the matter is the memorandum itself made no recommendation whatsoever. It was just a typical governmental analysis—50 pros and 50 cons. The issue of military sales to China was not directly tackled in that PRM. The issue that was dealt with was the sale of dual use items such as computers and even on that, as I said, the discussion was one of the potential costs and benefits.

It is not accurate that it dealt with recommendations on what to do about the military relationship.

Mr. WOLFF. I have exhausted the time of you three gentleman before us. I want to thank you very much for the time you have given us and for the time you have given to preparation of the papers that you have given and also the preparation of the oral statement that you gave.

I hope that we can call upon you on a fairly regular basis to give us your insight. This committee started the examination of the tripartite relationship and I think all three of you were witnesses before us; at least we spoke to you at that time. You did that before this was an Asian political affairs committee. It was just foreign policy planning.

I think it is important for us to say there are really strong reasons for us to develop a continuing relationship, as you have all indicated, with the People's Republic of China but I think there are also, as all three of you have indicated, certain precautions and situations that develop there, perhaps, and later to the direct relationship, that have to be borne in mind as this continuing relationship develops.

I want to thank all three of you for being here.

The committee now stands in recess.

[Whereupon, at 4:35 p.m., the subcommittee was adjourned.]

APPENDIX

Department of State Munitions Control Newsletter No. 81, March 1980

Categories of Support Equipment To Be Opened to China

The United States Government is now prepared to consider, on a case-by-case basis, license applications for export to the People's Republic of China of certain items and technology covered in the following categories of the U.S. Munitions List.

1. Category VII; specifically: (d) trucks, trailers, hoists and skids specifically designed for carrying and handling the articles in paragraph (a) of Categories III and IV; mobile repair shops specifically designed to service equipment; (e) recovery vehicles; (g) all specifically designed components, parts, accessories, attachments and associated equipment for the above items.

2. Category VIII; specifically: (a) certain aircraft, including helicopters, designed, modified or equipped for the following purposes: liaison, cargo/personnel carrying, and lighter-than-air aircraft; (d) airborne equipment (excluding airborne refueling equipment) specifically designed for use with the aircraft and engines of the types described in paragraph (a) of this Category; (e) launching, arresting and recovery equipment for the articles in paragraph (a) of this Category; (h) components, parts, accessories, attachments, and associated equipment specifically designed or modified for the articles in paragraphs (a), (d) and (e) of this Category.

3. Category IX; specifically: (a) training equipment oriented to pilot training to include: flight simulation devices, operational flight trainers, flight simulators, radar trainers, instrument flight trainers and navigation trainers; (b) components, parts, accessories, attachments, and associated equipment specifically designed or modified for the articles in paragraph (a) of this Category as noted here.

4. Category XI; specifically: (a) electronic equipment *not* included in Category XII, including (1) search radar systems, communications systems, and (2) simple fathometers; underwater telephones; weather navigation, guidance, object-locating methods and means; displays and telemetering equipment; (d) components, parts, accessories, attachments, and associated equipment specifically designed for use or currently used with the equipment described above for this Category, except such items as are in normal commercial use.

5. Category XIII; specifically: (a) aerial cameras, special purpose cameras, and special processing equipment therefor; photo interpretation, stereoscopic plotting, photogrammetry equipment, and specifically designed components therefor; (c) self-contained diving and underwater breathing apparatus and specifically designed components therefor.

6. Category XVIII; specifically: technical data relating only to certain articles identified in this newsletter.

The United States Government will continue its current policy of considering license applications for export to the People's Republic of China of items and technology covered in the Commodity Control List published by the U.S. Department of Commerce.

William B. Robinson,
Director, Office of Munitions Control.

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